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ABSTRACT

Wise planning for the future of post-secondary education in Minnesota must necessarily be based on the best available past and present information about higher education within the state. This financial report is the fifth in a series of planning reports issued by the Minnesota Higher Education Coordinating Commission. In addition to many essential fiscal facts concerning the operation of Minnesota post-secondary education during the 1969-70 year, it contains comparable data for 1968-69 as well as other years on a selective basis. In instances where recent 1970-71 data were available, these two are presented. Most of the data were obtained from the annual Higher Education General Information Survey. Other major contributors were the institutions and systems of higher education in Minnesota. (Author/HS)

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MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

PLANNING REPORT 5

CURRENT OPERATING REVENUES AND EXPENDITURES IN MINNESOTA HIGHER EDUCATION 1969-1970 REVISION

November 1971

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- Current Operating Revenues and Expenditures

- - - - -

- State Appropriations

- - - - -

- Comparisons, 1968-1969 and 1969-1970

- - - - -

- Trends and Comparisons, 1966-1967 through 1969-1970

- - - - -

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PREFACE

Wise planning for the future of post-secondary education in Minnesota must necessarily be based upon the best available past and present information about higher education within the state. This financial report is the fifth in a series of planning reports issued by the Minnesota Higher Education Coordinating Commission. In addition to many essential fiscal facts concerning the operation of Minnesota post-secondary education during the 1969-1970 year, it contains comparable data for 1968-1969 and certain other years. In those instances where recent 1970-1971 data were available, these too are included in the present report.

The summary provided at the beginning of this report is intended for the convenience of the reader who wishes a brief overview of the financing of Minnesota higher education. The reader interested in more detail is urged to examine the complete report. Most of these data were obtained from the annual Higher Education General Information Survey entitled Financial Statistics of Institutions of Higher Education (2300-4) of the U.S. Office of Education. Other major contributors to this report have been the institutions and systems of higher education in Minnesota. Their cooperation in providing data for the reports has been most helpful to the Commission staff in preparing this document.

The Commission is grateful to many persons who cooperated with staff members so that necessary data could be gathered, analyzed and assembled here. Special appreciation is extended to the Statistical and Research

Section, and the Division of Vocational-Technical Education, of the Minnesota Department of Education; to the U. S. Office of Education, and to the National Education Association.

IMPORTANT NOTES

Current data available do not permit any more detailed study at this time of the costs incurred in performing the functions of post-secondary education in all institutions and systems. A more detailed study of accounting and financial management systems is needed during the current biennium with the establishment of protocols needed for reporting institutional financial data in compatible program detail. Differential costs involved in providing different services at various levels by institutions and systems with widely varying missions must be obtained. Differential cost analyses, by level of instruction (e.g., lower division, upper division, graduate and professional as minimum) will be required for maximum effectiveness in comprehensive planning.

For the same reason, the ratios and averages generated in this report are not accompanied by complete descriptions of variability and range among the various systems and institutions studied. Therefore, while comparisons within a given system over time may be appropriate, comparisons across systems may not be appropriate.

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DEFINITIONS OF TERMS USED

I. General:

Current Operating Funds Revenues: revenues for current operating purposes. Appropriations and other revenues for building and capital improvements not included in this category.

Current Operating Expenditures: expenditures made from current funds for current operating purposes. Capital expenses or building fund expenditures are excluded.

Full-Time Equivalent Student: calculated by dividing the total number of credit hours for which all students were registered by whatever number of credit hours is assumed to represent a full-time student (in this case, 15 credit hours).

Educational and General Revenues/Expenditures: all current operating revenues/expenditures other than those for student aids, major service programs, and auxiliary enterprises.

Instruction and Departmental Research Expenditures: all resident (not extension) instruction and departmental research in all colleges or schools including the administrative expense for operating these units.

Auxiliary Enterprises: all activities which exist to furnish a service to students, faculty or staff, and which charge a fee directly related to, although not necessarily equal to the cost of the service.

II. Definitions of Revenue Categories:

1. Tuition and Fees: all tuition and fees assessed against students for educational and general purposes. Tuition and fee remissions or exemptions are assessed and reported as revenues.

2. Governmental Appropriations: all amounts received from governmental sources that are expendable for educational and general purposes.

3. Endowment Earnings: all educational and general revenues derived from the earnings of endowment, term endowment, and quasi-endowment funds. Included is income from funds held in irrevocable trusts by others as well as earnings from federal and state land-grant funds in the case of land-grant institutions.

4. Private Gifts and Grants: educational and general revenues given to the institution by any non-governmental source. Included is the estimated value of services contributed by members of religious orders as well as bequests. Not included are funds received for specific research or other sponsored programs in accordance with contracts, grants, or other written agreements.

5. Sponsored Research: revenues from outside organizations for specific research projects made in accordance with written agreements. Not included are recovery of indirect costs, or federally funded research and development centers.

6. Non-Governmental Sources: include foundations, business corporations, other organizations or individuals providing revenues in accordance with contracts, grants, or other written agreements.

7. Other Separately Budgeted Research: gross revenues for separately organized research divisions that are not financed in the manner described for sponsored research (above).

8. Other Sponsored Programs: all separately budgeted programs other than research which are supported by sponsors outside the institution. Examples are training programs, workshops, instructional institutes, work-study programs and similar activities for which payments are made in accordance with contracts, grants or other written agreements.

9. Recovery of Indirect Costs: recovery of costs accruing from sponsored research and other sponsored programs.

10. Sales and Service of Educational Departments: incidental revenues of educational departments.

11. Organized Activities Related to Educational Departments: revenues of activities organized and operated in connection with instructional departments and conducted primarily to provide instructional or laboratory training of students. Included also are revenues from activities of a cultural nature, e.g., concerts, lectures, dramatic productions, etc.

12. Other Sources: revenues for educational and general purposes not covered elsewhere.

13. Total Educational and General Revenue: the sum of items one through 12.

14. Student Aid Grants: grants, scholarships, and fellowships to students for which no services or repayments are required.

15. Major Service Programs: revenues only for those organizations designated as "Federally Funded Research and Development Centers" by the sponsoring federal agency.

16. Auxiliary Enterprises: revenues of all activities which exist to furnish a service to students, faculty, or staff, and which charge a fee which is directly related to, although not necessarily equal to the cost of the service.

17. Total Current Fund Revenue: sum of items 13 through 16.

III. Definitions of Categories of Expenditures:

1. Instruction and Departmental Research: all resident (not extension) instruction and departmental (not separately organized) research in all colleges or schools and the administrative expense for operating these units.

2. Organized Activities Related to Educational Departments: expenditures for activities organized and operated in connection with instructional departments, and conducted primarily to provide instructional or laboratory training of students, including activities of a cultural nature.

3. Sponsored Research: expenditures for specific research projects performed in accordance with written agreements.

4. Other Separately Budgeted Research: expenditures for research divisions and activities which are not for sponsored research or for instruction and departmental research.

5. Other Sponsored Programs: expenditures for all separately budgeted programs other than research which are supported by sponsors outside the institution.

6. Extension and Public Service: educational and other activities designed primarily to serve the general public (e.g., correspondence courses, adult and continuing education courses, agriculture extension and other community services).

7. Libraries: all expenses of general and departmental libraries: salaries and wages, binding books, periodicals, newspapers, other library materials, operating expenses, and equipment.

8. Physical Plant Maintenance and Operation: expenditures for all facilities except those properly charged to auxiliary enterprises and organized activities relating to instructional departments.

9. Other Educational and General Expense: includes all expenditures of the general executive and administrative offices, services to students, staff benefits, and other expenditures for educational and general purposes not included elsewhere. Does not include expenditures chargeable to auxiliary enterprises, organized activities, libraries, or physical plant operation.

10. Total Educational and General Expenditures: the sum of items one through nine (above).

11. Student Aid Grants: expenditure for student scholarships, grants-in-aid, fellowships, etc., for which no services or repayment are required.

12. Major Service Programs: expenditures for federally funded research and development centers, hospitals and other service programs.

13. Auxiliary Enterprises: gross expenditures for all of auxiliary enterprises, including their physical plant charges, general institutional expenses, administrative charges and other indirect costs.

14. Total Current Funds Expenditures: the sum of items ten through 13 (above).

SUMMARY: FINANCING MINNESOTA HIGHER EDUCATION IN 1969-70

HEGIS reports of 1969-1970 current fund revenues and expenditures for Minnesota post-secondary institutions in combination with past and present enrollment information have provided bases for several analyses. Only those items of most general interest are listed in this summary. More complete information may be gained from the various sections of this report. Only current operating revenues and expenditures are included. Capital outlays for buildings and improvements are excluded. Latest data for 1970-1971 are included when available.

Current operating expenditures for all Minnesota colleges and universities in 1969-1970 amounted to a total of $403,811,018 (excluding building costs). Of this amount, public institutions spent $314,523,452 or 77.9 per cent of the total. Private institutions spent $89,287,566 or 22.1 per cent of the total dollars spent for higher education in Minnesota (Table 12, pp. 45-46).

Cost of instruction and departmental research[1] per full-time equivalent student[2] for all Minnesota institutions was $1,713 in 1969-1970. Cost of instruction and departmental research for all public institutions was $1,661; for state junior colleges, $1,110; for state colleges, $1,339; and for the University of Minnesota, $2,076 (including all programs and levels).

The comparable cost for all private institutions was $2,007; for

---

[1] Includes all direct and indirect expenditures for instruction and departmental research.

[2] Based on 15 hours credit.

private junior colleges, $1,915; for private four-year colleges, $2,015; and for private professional schools, $1,941 (Table 2.10, p. 13).

These are gross figures which cover all programs of instruction and departmental research for institutions which vary greatly in mission, characteristics, enrollment and level of offerings.

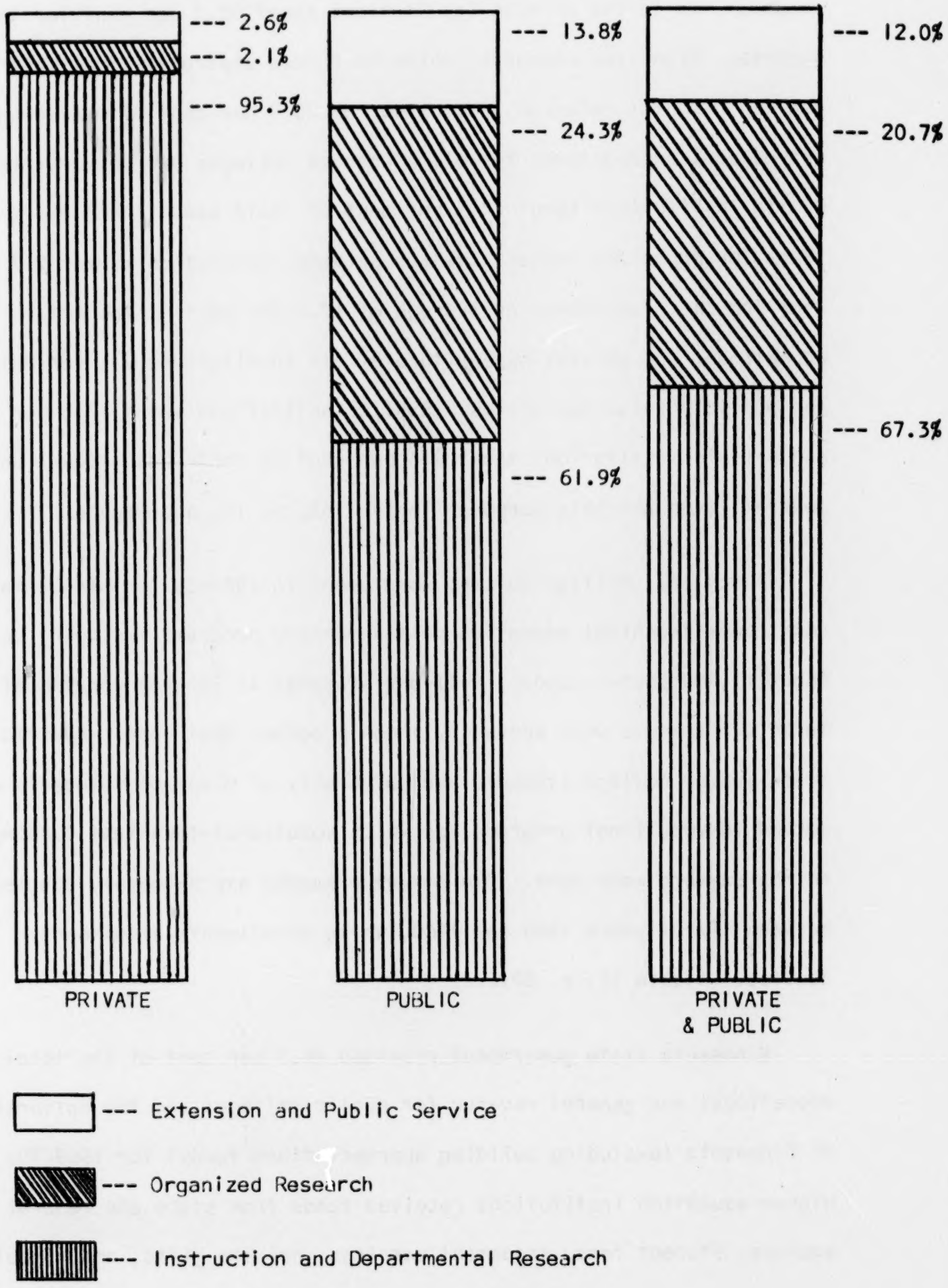
Total current operating costs per f.t.e.$_{15}$ enrollment (excluding building funds) for all Minnesota institutions amounted to $3,217 for the 1969-70 academic year. State public institutions spent $3,275 per full-time equivalent student enrolled, while private institutions spent $3,045 (Table 12, 45-46). National figures for 1969-70 are not yet available at the time of this writing, but 1966-67 national figures show an expenditure of $2,222 for all public institutions, and $3,414 for all private institutions.

Educational and general expenditures accounted for 79.1 per cent of the total current fund (operating) expenditures by all Minnesota institutions (Figure 2, p. 5). Educational and general expenditures include teaching, research, and public service activities and supporting services, including general administration. Teaching, in the form of instruction and departmental research, commanded the largest proportion (67.3%) of educational and general expenditures (Table 2.31, p. 15).

National figures for the year 1968-69 show 82 per cent of current operating expenditures were for educational and general purposes, with the remaining amount expended for other purposes (Table 1, p. 10).

FIGURE I

COMPARISON OF TOTAL EXPENDITURES FOR THE THREE MAJOR CATEGORIES OF EDUCATIONAL AND GENERAL EXPENDITURES, PRIVATE, PUBLIC, AND ALL MINNESOTA HIGHER EDUCATION INSTITUTIONS, 1969-70



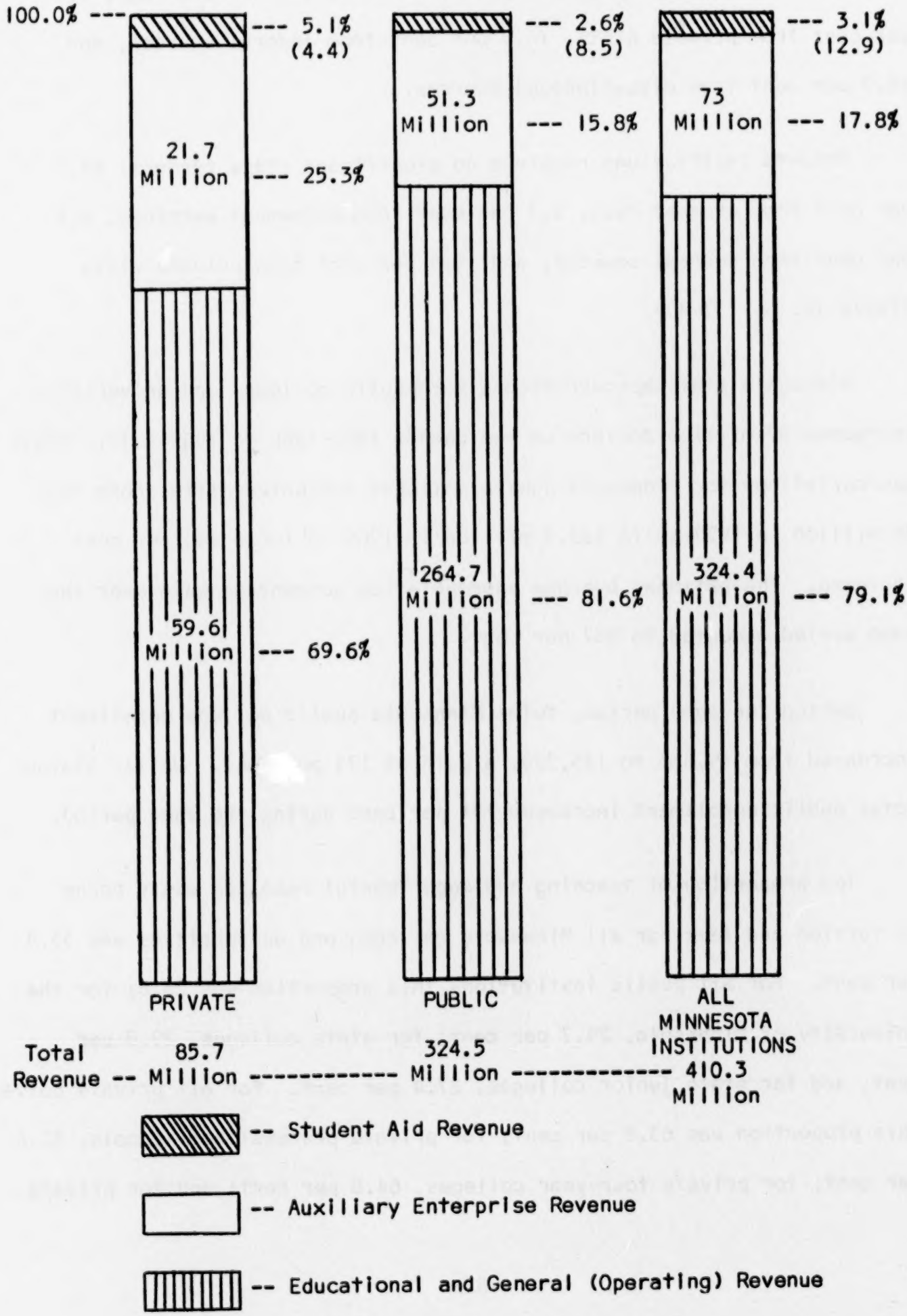
During 1969-70, Minnesota public institutions spent 61.9 per cent of their educational and general funds for instruction and departmental research, while the private institutions spent 95.3 per cent for that purpose. Organized research, which is funded separately from instruction and departmental research, accounted for 20.7 per cent of the educational and general expenditures for all Minnesota colleges and universities. Public institutions spent 24.3 per cent of their educational and general funds for organized research, while private institutions spent 2.2 per cent for this function. An average of 12.0 per cent of the total educational and general expenditure of all institutions was for extension and public service activities. Public institutions spent 13.8 per cent, and private institutions spent 2.6 per cent of their educational and general funds for this purpose (Table 2.32, p. 15, and Figure 1, p. 3).

About 11.1 million dollars were spent in 1968-69 for Minnesota area vocational-technical education post-secondary programs excluding buildings. About 11,400 post-secondary full-day students in 26 area vocational-technical schools were served by these programs that year. Additional state junior college students and University of Minnesota students were served in vocational programs for which vocational-technical funding reimbursements were made. The amount expended approximately doubled between fiscal years 1966 and 1969, while enrollments also nearly doubled. (Table 16, p. 60).

Minnesota state government provided 46.7 per cent of the total educational and general revenue for public colleges and the University of Minnesota (excluding building appropriations funds) for 1969-70. Higher education institutions received funds from state and federal sources, student fees, endowment earnings, private gifts, and miscellaneous

FIGURE 2

COMPARISON OF THE THREE MAJOR CATEGORIES OF TOTAL REVENUES FOR PRIVATE, PUBLIC, AND ALL MINNESOTA HIGHER EDUCATION INSTITUTIONS, FISCAL YEAR 1969-1970
(IN PER CENTS; AND MILLIONS OF DOLLARS)



sources during 1969-70. Public institutions as a whole received 46.7 per cent of their total current fund revenue from state sources, 15.9 per cent from student fees, 1.3 per cent from endowment earnings, 0.3 per cent from private gifts, 16.9 per cent from federal sources, and 18.9 per cent from miscellaneous sources.

Private institutions received no significant state revenue; 63.0 per cent from student fees, 5.7 per cent from endowment earnings, 2.5 per cent from federal sources, and 19.5 per cent from private gifts (Table 10, pp. 37-40).

Minnesota state appropriations for public colleges and universities increased 87 million dollars in the decade 1959-1960 to 1969-1970. State appropriations for Minnesota public colleges and universities rose from 36 million in 1959-60 to 123.4 million in 1969-70 for a 243 per cent increase. The national average appropriation percentage gain over the same period amounted to 337 per cent.

During the same period, total Minnesota public college enrollment increased from 49,583 to 135,200, a gain of 173 per cent. United States total public enrollment increased 151 per cent during the same period.

The proportion of teaching and departmental research costs borne by tuition and fees for all Minnesota colleges and universities was 33.4 per cent. For all public institutions this proportion was 26.8; for the University of Minnesota, 25.7 per cent; for state colleges, 29.8 per cent; and for state junior colleges, 27.4 per cent. For all private colleges this proportion was 63.8 per cent; for private professional schools, 32.4 per cent; for private four-year colleges, 64.8 per cent; and for private

junior colleges, 47.8 per cent (Table 2.20, p. 14).

Minnesota ranks thirtieth among the 50 states in appropriations per full-time student in public institutions of higher education. Minnesota appropriations of $1,364 per full-time student ranks sixth among the nine states of the midwestern region, but thirtieth in the 50-state national ranking (Table 9, p. 30). Minnesota ranked eighteenth among the states in appropriations per capita of $34.67 as compared with the U.S. average of $30.32 (Table 4, p. 22).

As a per cent of personal income, state tax funds for the operating expenditures of public higher education amounted to 0.862 per cent, with Minnesota ranked twenty-second in the nation, the national average percentage being 0.738 (Table 6, p. 24).

SUMMARY, 1966-67 THROUGH 1969-70

There has been a marked increase in the proportion of total effort given to instruction and departmental research over the period from a little more than half for all Minnesota institutions (51.6%) in 1966-67 to a little more than two-thirds (67.3%) in 1969-70 (Table 2.31, p. 15). At the same time, the proportion of effort given over to extension and public service has decreased by half, from 23.4 per cent to 12.0 per cent. The proportion of effort given to organized (sponsored) research has decreased somewhat from exactly one-fourth to about one-fifth (20.7%) of the total effort given to the teaching function. In general, effort is increasingly being directed toward instruction and departmental research, with a corresponding drop in the other two categories related to the teaching function; but with the greatest decline being in extension and

public service (see also Table 18, pp. 74-82).

Costs of instruction and departmental research per credit hour have risen annually and substantially, whether systems are being viewed, or all Minnesota institutions. For all institutions this increase amounted to 25.0 per cent from 1966-67 to 1969-70.

The student contribution to the cost of his education in the form of tuition and fees increased in terms of total dollars, but decreased as a proportion of the cost of instruction over the period, from 43.2 per cent for all Minnesota institutions in 1966-67 to 33.4 per cent in 1969-70.

I. INTRODUCTION

Background: The National Scene:

Growth continues to be one of the most prominent characteristics of the American higher education scene. Expanding enrollments have created an increased demand for more of everything: more faculty, more institutions, and more dollars. Current fund expenditures for higher education in the United States more than tripled between 1959-60 and 1968-69. Estimated total current expenditures in 1968-69 were in excess of 15.1 billion dollars. Public institutions accounted for more than half of these expenditures, 8.7 billion dollars; the private portion of higher education accounted for 6.4 billion dollars. Approximately 80 per cent of all current fund expenditures nationally were for educational and general purposes; the remaining 20 per cent included expenditures in auxiliary enterprises and student aid (Table I, p. 10).

Over a decade ago, in 1956-57, the national average student charge for room, board, tuition, and fees was $737 per year in public institutions, and $1,250 per year in private institutions. Median total charges for 1969-70 listed by the American Association of State Colleges and Universities have risen to $1,116 for resident students[3], while total charges for students in private institutions have risen to approximately $2,190.[4]

In the face of present fiscal realities, the low-tuition principle long guarded by public colleges and universities has been breached; namely,

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[3] Joint Report on Student Charges, AASCU and NASULGC.

[4] Source: 1969-70 College Facts Chart, National Beta Club.

TABLE I

ESTIMATED CURRENT FUND EXPENDITURES OF INSTITUTIONS
OF HIGHER EDUCATION, BY PURPOSE, AND CONTROL,
UNITED STATES, 1968-69

(AMOUNTS IN MILLIONS OF DOLLARS)

	PUBLIC AND PRIVATE		PUBLIC		PRIVATE	
	AMOUNT	PER CENT OF TOTAL	AMOUNT	PER CENT OF TOTAL	AMOUNT	PER CENT OF TOTAL
	(100.0%)		(57.6%)		(42.3%)	
Total Current Fund Expenditures	$15,174	100.0	$8,753	100.0	$6,421	100.0
Current Educational and General Expenditures	12,429	81.9	7,007	80.2	5,420	84.4
Educational and General (a)	9,868	65.0	5,693	65.2	4,175	65.0
Auxiliary Enterprises (b)	2,132	14.1	1,160	13.3	972	15.1
Student Aid (c)	426	2.8	153	1.8	272	4.2

Source: Digest of Educational Statistics, U. S. Office of Education (Sept. 1969).

(a) Includes general administration, instruction and departmental research, extension and public services, libraries and operation and maintenance of the physical plant.

(b) Auxiliary enterprises include student dormitories, dining halls, cafeterias, student unions, bookstores, faculty housing athletic programs not part of the instructional program, lectures, concerts, etc.

(c) Student aid consists of scholarships, fellowships and prizes and includes remission of fees.

when the funds to meet expenses cannot be found elsewhere, charges to students must be increased. The already significant difference between public and private institutions in student charges for tuition and fees continues to widen.

The nation's colleges and universities received voluntary support estimated at more than 1.5 billion dollars in the academic year 1965-66. A total of 239 institutions received one million dollars or more in voluntary support, nearly twice the number attaining that goal in 1958-59. General welfare foundations were the largest single source of private voluntary support. More recently, private giving has declined.

Nationally, state appropriations for operating expenses of higher education have more than quadrupled in a decade. In 1959-60, $1.4 billion were appropriated; in 1969-70 that figure had risen to $6.1 billion (Table 7, pp. 26-27). In 1970-71, state appropriations exceeded 7.0 billion dollars.

Two national trends deserve recognition. First, operating costs have risen faster than enrollments. During the period that operating costs tripled, 1959-67, enrollments approximately doubled. A number of factors have contributed to this cost increase: 1) inflation; 2) a steady increase in faculty salaries, (which make up about one-half of all annual operating expenses); 3) the addition of new courses of study and degree programs; 4) the increased number of students enrolled in more costly graduate and professional programs; and 5) an increased number of research and public service programs supported by federal dollars. Secondly, while state tax support has risen rapidly in terms of total dollars involved,

it has declined as a percentage of total income for public institutions. State tax support in 1967-68 accounted for an average of approximately 40 per cent of state college and university revenues, while a decade earlier, in 1958, it accounted for approximately 50 per cent.

The federal interest in higher education has been reflected in the expenditure of billions of dollars distributed by a number of government agencies to a large percentage of institutions for a variety of purposes. Total federal expenditures to colleges and universities for educational activities amounted to three billion dollars in the fiscal year 1966, a substantial increase over the $1.4 billion obligated in 1963. Yet, in 1966, the total federal obligation represented less than one-half of one per cent of the gross national product, and less than one-fifth of higher education's total expenditures ($15.2 billion). Approximately 2,000 institutions (nearly four-fifths of then existing institutions of higher education) received federal funds in one form or another in 1966, representing an increase of 600 institutions over the preceding year, two and one-half times the number of institutions that received federal funds in 1963. Since 1968-69, however, there has been a leveling off of federal support for higher education.

TABLE 2.10

1966-70 COST ANALYSES FOR MINNESOTA HIGHER EDUCATION INSTITUTIONS

COST/FTE[1] 12 (Instruction, Departmental Research)

SYSTEM	1966-67	1967-68	1968-69	1969-70
State Junior Colleges	$ 554	$ 677	$ 706	$ 888
State Colleges	760	836	929	1,071
University of Minnesota	993	1,111	1,547	1,660
TOTAL PUBLIC	860	915	1,182	1,328
Private Junior Colleges	826	961	1,192	1,532
Private Four-Year Colleges	1,206	1,274	1,477	1,612
Private Prof. Schools	1,001	1,152	1,648	1,552[2]
TOTAL PRIVATE	1,187	1,256	1,472	1,605
Total Minn. Institutions	951	961	1,233	1,370

COST/FTE 15 (Instruction, Departmental Research)

SYSTEM	1966-67	1967-68	1968-69	1969-7
State Junior Colleges	$ 729	$ 846	$ 883	$1,11
State Colleges	950	1,045	1,161	1,33
University of Minnesota	1,241	1,389	1,934	2,07
TOTAL PUBLIC	1,075	1,144	1,478	1,66
Private Junior Colleges	911	1,056	1,490	1,91
Private Four-Year Colleges	1,188	1,306	1,846	2,01
Private Prof. Schools	1,251	1,440	2,060	1,94
TOTAL PRIVATE	1,484	1,648	1,840	2,00
Total Minn. Institutions	1,201	1,201	1,541	1,71

[1]Full-time equivalent enrollment; 12 credit hours equivalent basis, column 1; 15 credit hours equivalent basis, column 2.

[2]Luther Seminary (enrollment 411) data unavailable for 1969-70.

TABLE 2.20

1966-70 COST ANALYSES FOR MINNESOTA HIGHER EDUCATION INSTITUTIONS

PER CENT: REVENUE (Tuition, Fees)/COST (Instruction, Departmental Research)

SYSTEM	1966-67	1967-68	1968-69	1969-70
State Junior Colleges	32.7%	23.3%	31.1%	27.4%
State Colleges	33.8%	25.3%	27.2%	29.8%
University of Minnesota	28.5%	29.9%	22.9%	25.7%
TOTAL PUBLIC	31.4%	28.1%	24.7%	26.8%
Private Junior Colleges	70.9%	55.2%	50.6%	47.8%
Private Four-Year Colleges	68.6%	65.0%	66.3%	64.8%
Private Professional Schools	30.8%	29.9%	27.0%	48.4%
TOTAL PRIVATE	67.3%	63.5%	64.1%	63.8%
Total Minnesota Institutions	43.2%	40.7%	36.6%	33.4%

TABLE 2.31
PER CENT EFFORT: INSTRUCTION AND DEPARTMENTAL RESEARCH

SYSTEM	1966-67	1967-68	1968-69	1969-70
State Junior Colleges	99.4%	99.95%	100.0%	99.9%
State Colleges	98.5%	98.5%	98.3%	98.4%
University of Minnesota	34.3%	34.0%	48.7%	48.3%
TOTAL PUBLIC	43.9%	45.2%	59.8%	61.9%
Private Junior Colleges	100.0%	93.1%	100.0%	100.0%
Private Four-Year Colleges	96.0%	95.2%	95.7%	95.1%
Private Prof. Schools	100.0%	98.8%	100.0%	95.6%
TOTAL PRIVATE	96.2%	95.3%	96.0%	95.2%
Total Minn. Institutions	51.6%	52.2%	66.0%	67.3%

TABLE 2.32
PER CENT EFFORT: EXTENSION AND PUBLIC SERVICE

SYSTEM	1966-67	1967-68	1968-69	1969-70
State Junior Colleges	0.7%	0.05%	none	none
State Colleges	1.0%	1.4%	0.7%	1.3%
University of Minnesota	31.08%	31.2%	18.4%	18.5%
TOTAL PUBLIC	27.1%	26.0%	13.7%	13.8%
Private Junior Colleges	none	6.9%	none	none
Private Four-Year Colleges	1.8%	2.3%	1.8%	2.6%
Private Prof. Schools	none	none	none	4.4%
TOTAL PRIVATE	1.7%	2.4%	1.7%	2.6%
Total Minn. Institutions	23.4%	22.7%	11.6%	12.0%

TABLE 2.33

1966-70 COST ANALYSES FOR MINNESOTA HIGHER EDUCATION INSTITUTIONS

PER CENT EFFORT: ORGANIZED RESEARCH

SYSTEM	1966-67	1967-68	1968-69	1969-70
State Junior Colleges	none	none	none	0.1%
State Colleges	0.5%	0.1%	1.0%	0.3%
University of Minnesota	33.9%	34.8%	35.9%	33.2%
TOTAL PUBLIC	28.9%	28.8%	26.5%	24.3%
Private Junior Colleges	none	none	none	none
Private Four-Year Colleges	2.2%	2.5%	2.5%	2.3%
Private Professional Schools	none	1.2%	none	none
TOTAL PRIVATE	2.1%	2.3%	2.3%	2.2%
Total Minnesota Institutions	25.0%	25.1%	22.4%	20.7%

Minnesota Public Education and the Post-Secondary Effort:

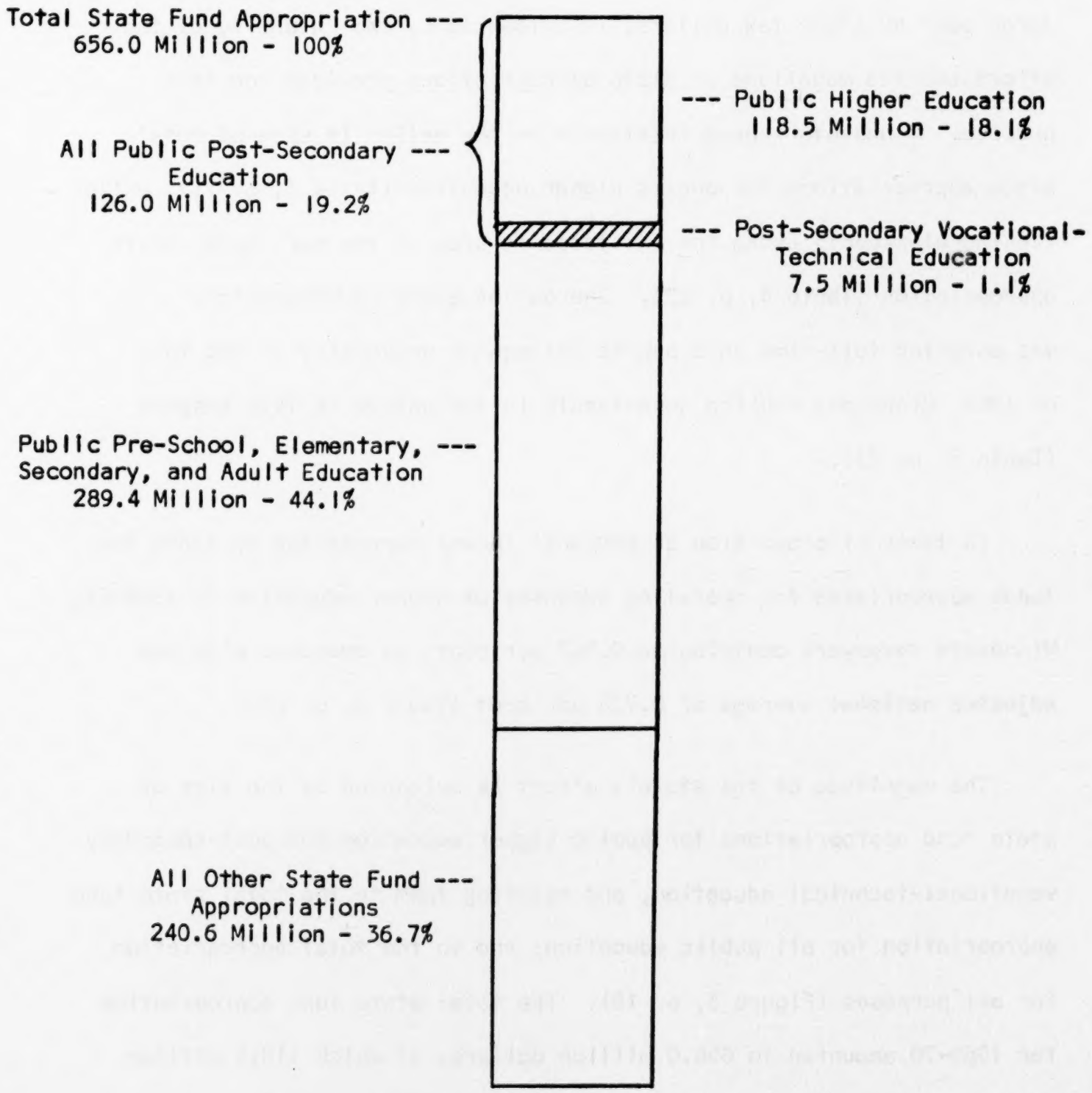
The historical commitment of the people of Minnesota to an educated citizenry, including the public provision of higher education opportunities pre-dates even the statehood of Minnesota. The intensity of the present commitment to post-secondary training opportunities, supported in very large part by state tax dollars, is evidenced by the intensity of the effort and the magnitude of state appropriations provided for this purpose. Minnesota ranked thirteenth in the nation in size of total state appropriations for public higher education (Table 3, p. 21), while ranking eighteenth among the 50 states in size of the per capita state appropriation (Table 4, p. 22). One out of every 40 Minnesotans was enrolled full-time in a public college or university in the fall of 1969, Minnesota ranking seventeenth in the nation in this respect (Table 5, p. 23).

In terms of proportion of personal income represented by state tax funds appropriated for operating expenses of higher education in 1968-69, Minnesota taxpayers contributed 0.862 per cent, as compared with the adjusted national average of 0.738 per cent (Table 6, p. 24).

The magnitude of the state's effort is evidenced by the size of state fund appropriations for public higher education and post-secondary vocational-technical education, and relating them to the total state fund appropriation for all public education; and to the total appropriation for all purposes (Figure 3, p. 18). The total state fund appropriation for 1969-70 amounted to 656.0 million dollars, of which 118.5 million was for the current fund support of higher education (18.1%) and 7.5 million for post-secondary vocational-technical programs (1.1%), for a

FIGURE 3

COMPARISONS OF TOTAL MINNESOTA STATE FUND APPROPRIATIONS AND APPROPRIATIONS FOR PUBLIC EDUCATION*, BY CATEGORIES, 1969-70 (IN MILLIONS OF DOLLARS)

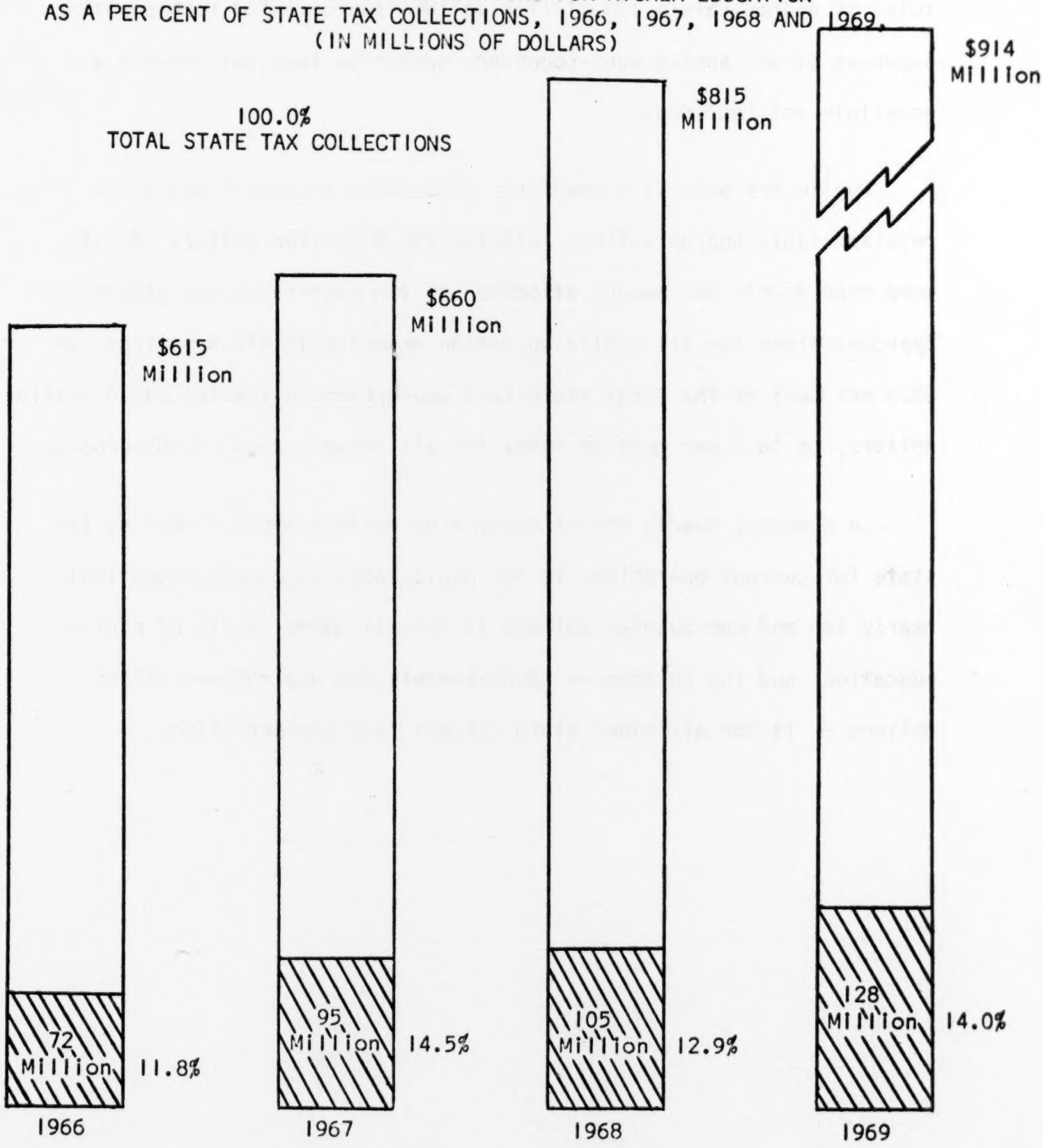

Total State Fund Appropriation --- 656.0 Million - 100%
All Public Post-Secondary --- Education 126.0 Million - 19.2%
--- Public Higher Education 118.5 Million - 18.1%
--- Post-Secondary Vocational-Technical Education 7.5 Million - 1.1%
Public Pre-School, Elementary, --- Secondary, and Adult Education 289.4 Million - 44.1%
All Other State Fund --- Appropriations 240.6 Million - 36.7%

*Does not include building appropriations.

Sources: Minnesota State Department of Education, and Budget Division, Minnesota Department of Administration.

FIGURE 4

STATE OF MINNESOTA: APPROPRIATIONS FOR HIGHER EDUCATION*
AS A PER CENT OF STATE TAX COLLECTIONS, 1966, 1967, 1968 AND 1969.
(IN MILLIONS OF DOLLARS)



--- Appropriations for Higher Education

*Does not include appropriations for area vocational-technical schools; nor building costs.

Sources: Appropriations of State Tax Funds for Operating Expenses of Higher Education, 1959-1968; M. M. Chambers, Office of Institutional Research, National Association of Land-Grant Colleges; also, Grapevine, Oct. 1970.
State Tax Collections in 1967, U. S. Dept. of Commerce, Bureau of the Census, November, 1967.
State Tax Collections in 1968, U. S. Dept. of Commerce, November, 1968.
Minnesota State Department of Taxation.

total of approximately 126 million dollars appropriated for operating expenses of all public post-secondary education (medical schools and hospitals not included).

Public pre-school, elementary, secondary, and adult education received state appropriations totaling 289.4 million dollars (44.1%), more than double the amount allocated to the post-secondary effort. Appropriations for all public education amounted to 415.4 million, or 63.3 per cent of the total state fund appropriation leaving 240.6 million dollars, or 36.7 per cent of total for all other current fund purposes.

In summary, nearly one of every five dollars appropriated by the state for current operations is for public post-secondary education; nearly two and one-quarter dollars is for all other levels of public education; and the balance -- approximately one and three-quarters dollars -- is for all other state current fund appropriations.

TABLE 3

STATE APPROPRIATIONS FOR OPERATING EXPENSES OF PUBLIC HIGHER EDUCATION INSTITUTIONS, 1969-1970
(IN THOUSANDS OF DOLLARS)

1.	California		$749,162	26.	Connecticut		$80,270
2.	New York		625,341	27.	Kansas		79,721
3.	Illinois	(1)	405,077	28.	Alabama		72,518
4.	Texas		340,046	29.	Arizona		65,611
5.	Michigan	(2)	305,411	30.	Oklahoma		59,522
6.	Pennsylvania*		250,000	31.	West Virginia		55,005
7.	Ohio	(3)	239,891	32.	South Carolina		53,316
8.	Florida		198,438	33.	Nebraska		48,326
9.	Washington		190,903	34.	Mississippi		47,804
10.	North Carolina		175,931	35.	Arkansas		47,630
11.	Wisconsin	(4)	165,851	36.	Hawaii		41,782
12.	Indiana	(5)	154,312	37.	Utah		40,000
13.	MINNESOTA	(6)	128,278	38.	New Mexico		36,126
14.	Missouri		127,407	39.	Idaho		29,682
15.	New Jersey		126,250	40.	Rhode Island		28,935
16.	Georgia		124,207	41.	Montana		26,715
17.	Virginia		117,158	42.	Maine		25,984
18.	Iowa	(7)	101,597	43.	North Dakota	(8)	23,249
19.	Louisiana		99,352	44.	South Dakota	(9)	18,227
20.	Kentucky		95,478	45.	Delaware		16,933
21.	Maryland		92,132	46.	Nevada		14,778
22.	Oregon		87,683	47.	Wyoming		14,672
23.	Tennessee		87,137	48.	Vermont		13,532
24.	Colorado		87,094	49.	Alaska		11,876
25.	Massachusetts		85,278	50.	New Hampshire		10,686

UNITED STATES AVERAGE $122,461

*Estimated in absence of report of complete appropriations.

Source: M. M. Chambers, Grapevine, October 1969.

Note: Nine-state rankings are in parentheses following the state name.

TABLE 4

STATE APPROPRIATIONS FOR OPERATING EXPENSES OF PUBLIC HIGHER EDUCATION INSTITUTIONS PER CAPITA, 1969-1970

1.	Washington		$56.11	26.	Florida		$31.23
2.	Hawaii		52.62	27.	Vermont		30.82
3.	Wyoming		45.85	28.	Texas		30.40
4.	Oregon		43.15	29.	West Virginia		30.24
5.	Arizona		42.83	30.	Indiana	(7)	30.15
6.	Alaska		42.27	31.	Kentucky		29.54
7.	Idaho		41.59	32.	South Dakota	(8)	27.66
8.	Colorado		41.47	33.	Missouri		27.39
9.	Wisconsin	(1)	39.18	34.	Connecticut		26.76
10.	California		38.53	34.	Georgia		26.76
11.	Montana		38.49	35.	Maine		26.57
12.	Utah		38.28	36.	Louisiana		26.53
13.	North Dakota	(2)	37.80	37.	Virginia		25.09
14.	Illinois	(3)	36.67	38.	Maryland		24.47
15.	Iowa	(4)	36.53	39.	Arkansas		23.87
16.	New Mexico		36.34	40.	Oklahoma		23.18
17.	Michigan	(5)	34.84	41.	Ohio	(9)	22.34
18.	MINNESOTA	(6)	34.67	42.	Tennessee		21.87
19.	Kansas		34.35	43.	Pennsylvania		21.18
20.	New York		34.13	44.	Alabama		20.54
21.	North Carolina		33.80	45.	Mississippi		20.26
22.	Nebraska		33.35	46.	South Carolina		19.80
23.	Nevada		32.34	47.	New Jersey		17.66
24.	Rhode Island		31.76	48.	Massachusetts		15.60
25.	Delaware		31.36	49.	New Hampshire		14.90

UNITED STATES $30.32

Sources: Grapevine, M. M. Chambers, October 1969.
Rankings of the States, 1970, Research Division, National Education Association.

Note: Nine-state rankings are in parentheses following the state name.

TABLE 5

FULL-TIME ENROLLMENT, PER CAPITA, ALL PUBLICLY CONTROLLED HIGHER EDUCATION INSTITUTIONS, FALL 1969

1.	North Dakota	(1)	.0411	25.	Iowa	(6)	.0205
2.	Utah		.0343	26.	Louisiana		.0203
3.	Colorado		.0341	27.	Missouri		.0191
4.	Wyoming		.0329	28.	Florida		.0188
5.	Arizona		.0328	28.	Indiana	(7)	.0188
6.	Montana		.0326	29.	Arkansas		.0186
7.	Oregon		.0316	30.	Maryland		.0184
8.	Hawaii		.0302	31.	Kentucky		.0180
9.	South Dakota	(2)	.0292	32.	Nevada		.0177
10.	Kansas		.0288	33.	Ohio	(8)	.0171
11.	Wisconsin	(3)	.0282	33.	Tennessee		.0171
12.	New Mexico		.0281	34.	North Carolina		.0165
13.	Washington		.0280	35.	Illinois	(9)	.0164
14.	Oklahoma		.0278	36.	New Hampshire		.0161
15.	California		.0261	37.	Rhode Island		.0154
16.	Idaho		.0255	38.	Virginia		.0151
17.	MINNESOTA	(4)	.0254	38.	Georgia		.0151
18.	Nebraska		.0248	39.	Connecticut		.0141
19.	Michigan	(5)	.0234	39.	Maine		.0141
20.	Mississippi		.0219	40.	New York		.0129
21.	Texas		.0215	41.	Pennsylvania		.0127
22.	Alabama		.0212	42.	New Jersey		.0124
23.	West Virginia		.0211	43.	South Carolina		.0123
24.	Vermont		.0206	44.	Massachusetts		.0122
25.	Delaware		.0205	45.	Alaska		.0087

UNITED STATES .0194

*Sources: Population estimates as of July 1, 1969, from Current Population Reports, No. 437, Bureau of the Census.
Enrollment data from Advance Statistics on Opening Fall Enrollment, 1969; National Center for Educational Statistics, U. S. Department of Health, Education, and Welfare.

Note: Nine-state rankings are in parentheses following the state name.

TABLE 6

PER CENT OF PERSONAL INCOME AS REPRESENTED BY STATE TAX FUNDS
FOR OPERATING EXPENDITURES OF PUBLIC HIGHER EDUCATION, 1968-1969

1.	Montana		1.197	24.	Vermont		0.837
2.	New Mexico		1.172	25.	California		0.828
3.	Utah		1.167	26.	Michigan	(7)	0.817
4.	North Dakota	(1)	1.161	27.	Florida		0.798
5.	Hawaii		1.145	28.	Texas		0.774
6.	Washington		1.134	29.	Virginia		0.762
7.	Wyoming		1.106	30.	Missouri		0.748
8.	West Virginia		1.101	31.	Oklahoma		0.726
9.	Idaho		1.098	32.	Nebraska		0.713
9.	Wisconsin	(2)	1.098	32.	Tennessee		0.713
10.	Arixona		1.084	33.	Alabama		0.703
11.	Colorado		1.034	34.	Delaware		0.695
12.	Oregon		1.020	35.	Nevada		0.694
13.	Louisiana		1.011	36.	Illinois	(8)	0.688
14.	Mississippi		0.979	37.	Rhode Island		0.664
15.	Kentucky		0.967	38.	Pennsylvania		0.660
16.	Arkansas		0.966	39.	Maine		0.648
17.	Iowa	(3)	0.946	40.	New York		0.643
18.	Alaska		0.915	41.	South Carolina		0.625
19.	Kansas		0.912	42.	Maryland		0.567
20.	South Dakota	(4)	0.908	43.	Connecticut		0.487
21.	Georgia		0.885	44.	Ohio	(9)	0.448
22.	MINNESOTA	(5)	0.862	45.	New Hampshire		0.446
23.	North Carolina		0.840	46.	New Jersey		0.338
24.	Indiana	(6)	0.837	47.	Massachusetts		0.329

UNITED STATES 0.738

Sources: M. M. Chambers, Chronicle of Higher Education.
Rankings of the States, 1970, Research Division, National Education Association.

Note: Nine-state rankings are in parentheses following the state name.

State Tax Appropriations:

Appropriations of state funds for higher education operating expenses for selected fiscal years from 1959-60 through 1969-70 are shown in Table 8, pp. 28-29. During that ten-year period, appropriations for Minnesota higher education increased by 82.3 million dollars, a gain of 228 per cent over the amount appropriated (about 36 million) for the 1959-60 year. The national weighted average for appropriation percentage gain over the same period was 237 per cent. In comparison with its four border states, Minnesota led all its neighbors except Wisconsin (238%) in this percentage gain of appropriation over the ten-year period (Table 7, pp. 26-27, and Table 8, pp. 28-29).

Appropriations of state tax funds for operating expenses of Minnesota public higher education for the ten-year period, including appropriations for the State Junior College System, the State College System, the University of Minnesota, and for higher education coordination are shown in Table 8, pp. 28-29. In addition, state appropriations for each of these systems and for the total state are compared with total enrollment (the sum of full-time and part-time enrollment) and an appropriation dollar figure calculated per enrollment. During the ten-year period, the largest gain in actual dollars appropriated was received by the University of Minnesota System (over 51.2 million), followed by a gain of 26.7 million in state college appropriations, and of nearly 11.8 million in public junior college appropriations. During the 1969-70 year, the average total state appropriation per student in public institutions of higher education was $876 with the University of Minnesota receiving $1,613 per student enrolled, followed by the state colleges with $922 per student, and the state junior colleges with $692 per student.

TABLE 7

APPROPRIATIONS OF STATE TAX FUNDS FOR OPERATING EXPENSES OF HIGHER EDUCATION, IN THOUSANDS OF DOLLARS, FOR SELECTED FISCAL YEARS FROM 1959-60, THROUGH 1969-70, WITH DOLLAR GAINS AND PERCENTAGE GAINS OVER MOST RECENT 2 YEARS, AND OVER 10 YEARS

STATE	FISCAL YEARS: 1959-60	1967-68	1969-70	1968-1970 2-YEAR GAIN	%	1959-1960 THROUGH 1969-1970 10-YEAR GAIN	%
Alabama	21,283	58,192	72,518	14,326	24-1/2	51,235	240-1/2
Alaska	2,111	8,619	11,876	3,257	38	9,765	462-1/2
Arizona	14,042	46,281	65,611	19,330	42	51,569	367-1/4
Arkansas	13,551	38,985	47,630	8,645	22	34,079	251-1/2
California	188,604	534,075	749,162	215,087	40-1/4	560,558	297-1/4
Colorado	17,271	61,856	87,094	25,238	41	69,823	404-1/4
Connecticut	12,273	53,655	80,270	26,615	49-1/2	67,997	554
Delaware	3,731	11,313	16,933	5,620	50	13,202	354
Florida	40,392	128,109	198,438	70,329	55	158,046	376-1/2
Georgia	24,058	87,369	124,207	36,838	42-1/4	100,149	416-1/4
Hawaii	4,958	26,320	41,782	15,462	58-1/2	36,824	742-1/2
Idaho	8,799	20,101	29,862	9,761	48-1/2	21,063	239-1/4
Illinois	90,289	301,136	405,077	103,941	34-1/2	314,788	348-1/2
Indiana	45,463	132,628	154,312	21,684	16-1/4	108,849	239-1/2
Iowa	34,630	85,773	101,597	15,824	18-1/2	66,967	193-1/2
Kansas	25,036	59,003	79,721	20,718	35	54,685	218-1/2
Kentucky	14,954	74,371	95,478	21,107	28-1/2	80,524	538-1/2
Louisiana	40,062	93,123	99,352	6,229	6-1/2	59,290	148
Maine	3,356	18,167	25,984	7,817	43	22,628	674
Maryland	23,818	67,700	92,132	24,432	36	68,314	287
Massachusetts	12,167	57,667	85,278	27,611	48	73,111	601
Michigan	95,599	231,567	305,411	73,844	32	209,812	219-1/2
Minnesota	36,173	95,034	128,278[1]	33,244	35	92,105	254-1/4
Mississippi	15,118	36,720	47,804	11,084	30	32,686	216-1/4
Missouri	24,744	92,934	127,407	34,473	37	102,663	415
Montana	11,230	21,375	26,715	5,340	25	15,485	138
Nebraska	15,217	33,248	48,326	15,078	45-1/4	33,109	217-1/2
Nevada	3,682	11,773	14,778	3,005	25-1/2	11,096	300

-continued-

TABLE 7

APPROPRIATIONS OF STATE TAX FUNDS FOR OPERATING EXPENSES OF HIGHER EDUCATION, IN THOUSANDS OF DOLLARS, FOR SELECTED FISCAL YEARS FROM 1959-60, THROUGH 1969-70, WITH DOLLAR GAINS AND PERCENTAGE GAINS OVER MOST RECENT 2 YEARS, AND OVER 10 YEARS

STATE	FISCAL YEARS: 1959-60	1967-68	1969-70	1968-1970 2-YEAR GAIN	%	1959-1960 THROUGH 1969-1970 10-YEAR GAIN	%
New Hampshire	3,973	9,201	10,686	1,485	16	6,713	169
New Jersey	21,982	83,758	126,250	42,492	51	104,268	474-1/4
New Mexico	11,165	28,954	36,126	7,172	25	24,961	223-1/2
New York	78,546	431,212	625,341	194,129	45	546,795	696
North Carolina	28,419	106,550	175,931	69,381	65	147,512	494
North Dakota	9,368	19,888	23,249	3,361	17	13,881	148
Ohio	43,331	150,527	239,891	89,364	59-1/2	196,560	453-1/2
Oklahoma	27,014	46,858	59,522	12,664	27	32,508	120-1/4
Oregon	28,719	67,305	87,683	20,378	30-1/4	58,964	205-1/4
Pennsylvania	43,471	179,212	250,000[2]	70,788	39-1/2	206,529	475
Rhode Island	4,477	18,401	28,935	10,534	57-1/4	24,458	546-1/4
South Carolina	12,113	35,148	53,316	18,168	49	41,203	340-1/4
South Dakota	8,128	16,992	18,227	1,235	7-1/4	10,099	124-1/4
Tennessee	17,022	64,472	87,137	22,665	35	70,115	412
Texas	71,021	234,109	340,046	105,937	45-1/4	269,025	379
Utah	13,139	33,695	40,000	6,305	19	26,861	204-1/2
Vermont	3,264	10,304	13,532	3,228	31-1/4	10,268	314-1/2
Virginia	25,544	74,335	117,158	42,823	57-1/2	91,614	350-1/2
Washington	46,909	137,051	190,903	53,852	39-1/4	143,994	307
West Virginia	16,919	44,448	55,005	10,557	24	38,086	225
Wisconsin	37,834	131,505	165,851	34,346	26	128,017	338-1/2
Wyoming	4,935	11,123	14,672	3,549	32	9,737	197-1/4
TOTAL	1,399,904	4,422,142	6,122,494	1,700,352		4,722,590	
Weighted Average Percentages					38-1/2		337-1/2

[1] Includes $9,824,000 appropriations for certain medical and nursing programs bearing only a peripheral relation to the Medical Education Program of the University.

[2] Estimated in absence of report of complete appropriations.

Sources: M. M. Chambers, Appropriations of State Tax Funds for Operating Expenses of Higher Education; and Grapevine, October, 1970.

TABLE 8

APPROPRIATIONS OF STATE TAX FUNDS FOR OPERATING EXPENSES OF MINNESOTA PUBLIC HIGHER EDUCATION, FOR SELECTED FISCAL YEARS FROM 1959-60 THROUGH 1969-70, WITH TOTAL ENROLLMENT COMPARISONS AND PERCENTAGE GAINS BY SYSTEMS OVER THE 10-YEAR PERIOD

	PUBLIC JUNIOR COLLEGES	STATE COLLEGES	UNIVERSITY OF MINNESOTA	HIGHER EDUCATION COORD. COMM.	TOTAL STATE APPROPRIATIONS
1959-60					
State Appropriation ($)	303,000	5,814,000	30,056,000		36,173,000
Total Enrollment*	2,886	11,487	26,538	N/A	40,911
Appropriation per Enrollment ($)	104	506	1,132	N/A	884
1961-62					
State Appropriation ($)	877,000	7,247,000	34,885,000	21,000	43,030,000
Total Enrollment*	3,982	14,755	30,846	N/A	49,583
Appropriation per Enrollment ($)	220	491	1,130	N/A	867
1963-64					
State Appropriation ($)	1,607,000	8,767,000	39,308,000	28,000	49,710,000
Total Enrollment*	4,461	18,439	35,112	N/A	58,012
Appropriation per Enrollment ($)	360	475	1,119	N/A	856
1964-65					
State Appropriation ($)	2,188,000	9,722,000	43,149,000		55,059,000
Total Enrollment*	5,145	21,111	38,403	N/A	64,929
Appropriation per Enrollment ($)	404	460	1,123	N/A	847
1965-66					
State Appropriation ($)	3,223,000	12,497,000	49,431,000	60,000	65,211,000
Total Enrollment*	7,677	24,678	42,178	N/A	74,533
Appropriation per Enrollment ($)	419	506	1,171	N/A	874
1966-67					
State Appropriation ($)	4,137,000	13,914,000	54,352,000	60,000	72,463,000
Total Enrollment*	9,362	26,542	43,997	N/A	79,901
Appropriation per Enrollment ($)	441	524	1,235	N/A	906

(continued on next page)

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TABLE 8

APPROPRIATIONS OF STATE TAX FUNDS FOR OPERATING EXPENSES OF MINNESOTA PUBLIC HIGHER EDUCATION, FOR SELECTED FISCAL YEARS FROM 1959-60 THROUGH 1969-70, WITH TOTAL ENROLLMENT COMPARISONS AND PERCENTAGE GAINS BY SYSTEMS OVER THE 10-YEAR PERIOD

	PUBLIC JUNIOR COLLEGES	STATE COLLEGES	UNIVERSITY OF MINNESOTA	HIGHER EDUCATION COORD. COMM.	TOTAL STATE APPROPRIATIONS
1967-68					
State Appropriation ($)	7,377,000	22,002,000	65,109,000	546,000	95,034,000
Total Enrollment*	12,090	30,466	46,090	N/A	88,646
Appropriation per Enrollment ($)	610	722	1,412	N/A	1,072
1968-69					
State Appropriation ($)	7,932,971	23,993,005	72,803,473	250,000[1] 151,000 360,000[2] 775,000[3]	105,130,449
Total Enrollment*	15,361	35,306	47,534		127,243
Appropriation per Enrollment ($)	516	680	1,532		826
1969-70				311,000	
State Appropriation ($)	12,139,000	32,560,000	81,309,000	1,446,000	118,454,000
Total Enrollment*	17,544	35,306	50,415		135,200
Appropriation per Enrollment ($)	692	922	1,613		876
1959-60 THROUGH 1969-70					
Percentage Gain in Appropriation	3,720	472	161	619[4]	228
Percentage Gain in Enrollment	507	207	90	N/A	230
Percentage Gain in Appropriation Per Enrollment	534	86	38	N/A	-1

[1] *State Scholarship funds administered by Higher Education Coordinating Commission.

[2] Funds appropriated for inter-institutional educational television, administered by the Higher Education Coordinating Commission.

[3] Includes $525,000 for new scholarships plus $250,000 for continuing scholarships, administered by the Higher Education Coordinating Commission.

[4] Since 1961-1962, when the first appropriation was made.

TABLE 9

STATE APPROPRIATIONS FOR OPERATING EXPENSES OF PUBLIC HIGHER EDUCATION INSTITUTIONS PER FULL-TIME ENROLLMENT, 1969-1970

1.	Alaska		$4821.76
2.	New York		2642.54
3.	Illinois	(1)	2215.90
4.	Rhode Island		2060.60
5.	North Carolina		2046.35
6.	Washington		2003.96
7.	Connecticut		1890.66
8.	Maine		1880.31
9.	Nevada		1817.27
10.	Iowa	(2)	1773.81
11.	Georgia		1770.79
12.	Hawaii		1738.31
13.	Pennsylvania		1661.76
14.	Virginia		1657.63
15.	Florida		1656.24
16.	Kentucky		1638.40
17.	Idaho		1625.67
18.	South Carolina		1602.62
19.	Indiana	(3)	1597.40
20.	Delaware		1529.22
21.	Vermont		1494.75
22.	Michigan	(4)	1487.22
23.	California		1475.13
24.	West Virginia		1429.18
25.	Missouri		1427.56
26.	New Jersey		$1419.58
27.	Texas		1410.75
28.	Wyoming		1392.96
29.	Wisconsin	(5)	1384.76
30.	MINNESOTA	(6)	1363.88
31.	Oregon		1363.70
32.	Maryland		1329.22
33.	Louisiana		1302.14
34.	Nebraska		1300.52
35.	Ohio	(7)	1299.17
36.	New Mexico		1288.88
37.	Arkansas		1282.00
38.	Tennessee		1275.01
39.	Massachusetts		1268.53
40.	Colorado		1214.85
41.	Kansas		1189.56
42.	Arizona		1180.62
43.	Montana		1179.42
44.	Utah		1113.99
45.	Alabama		967.65
46.	South Dakota	(8)	944.84
47.	New Hampshire		923.76
48.	Mississippi		921.95
49.	North Dakota	(9)	918.68
50.	Oklahoma		823.69

UNITED STATES $1562.56

Sources: M. M. Chambers, Grapevine, October 1969.
Advance Statistics on Opening Fall Enrollment, 1969, National Center for Educational Statistics, U. S. Department of Health, Education, and Welfare.

Note: Nine-state rankings are in parentheses following the state name.

It should be emphasized that the enrollment calculations utilized in Table 8 were those for total headcount enrollments, and not full-time equivalent enrollments. This appropriation information does not include area vocational-technical school programs. It should be borne in mind that comparisons for any one system over time are appropriate, but that comparisons across systems may not be appropriate because of differences in student levels, programs and other factors.

Another analysis is contained in Table 4, p. 22, where 1969-70 state appropriations per capita for higher education are listed for each of the 50 states and for the United States. Minnesota ranks eighteenth among the 50 states with an appropriation of $34.67 per capita for higher education as compared with the U. S. average of $30.32 per capita. Although Minnesota outranks the U. S. average in per capita appropriations for higher education, it is outranked by five states in the nine-state midwestern region: Wisconsin, North Dakota, Illinois, Iowa and Michigan. Wisconsin ranks highest in the Midwest region at $39.18 per capita, while Ohio ranks lowest, $22.34.

Comparisons of state appropriations per full-time student in public institutions are shown in Table 9, p. 30. In this analysis, Minnesota ranks well below the U. S. average and sixth among the nine states of the midwestern region.

Still another way to view Minnesota public appropriations for higher education is to compare the amounts being appropriated as percentages of state tax collections. About 14.0 per cent of Minnesota state tax fund collections were appropriated for higher education in fiscal 1969, up slightly from 12.9 per cent in fiscal 1968 (Figure 4, p. 19).

Study Procedures: Higher Education Financing:

During the 1966-67 academic year, the Commission requested financial data from all institutions of higher education in Minnesota. Their reports were relevant to such questions as: 1) volume of current operating revenues and expenditures for Minnesota higher education; 2) sources of revenue available to institutions; 3) proportions of institutional effort attributable to the various functions of higher education, including instruction and departmental research, extension and public service, and organized research; 4) volume of federal funding available to Minnesota higher education; and 5) student costs and financial aids available.

The data were summarized by the six types of institutions: private junior colleges, state junior colleges, private four-year colleges, state colleges, private professional schools and combined campuses of the University of Minnesota. Summary totals were presented for private, public, and all Minnesota institutions. Additional data were gathered by the Higher Education General Information Survey of the U. S. Office of Education, which since that time has remained the principal source of most of the information presented in this report.

Only current operating revenues and expenditures are reported; building funds and capital outlays are excluded.

Enrollment information used in the report is based on Higher Education Coordinating Commission enrollment reports entitled Annual Survey of Minnesota College and University Enrollments, compiled for the Association of Minnesota Colleges. Additional information was obtained for the most part from various U. S. Office of Education and U. S. Department of Commerce

reports. Revenue and expenditure information pertaining to the central office staffing of the State Junior College Board and State College Board is not included in this study, nor is there any analysis pertaining to services performed by the Minnesota Department of Administration in behalf of these two college boards.

Orientation to the Report:

This report is in three main sections relating to the sources of revenues, the nature of expenditures and comparisons with financial data from certain preceding years. In those instances where current data are not yet available, the most recent available data are given. For purposes of analysis, each area of higher education financing is accounted in some detail in order to show all the sources of revenues and all the general institutional efforts or activities involved in the spending of funds. Comparisons of revenues and expenditures are also described by means of calculations of percentages of total funding within the major areas of Minnesota higher education financing. Finally, each general area of financing and any subdivision is compared with full-time equivalent enrollment by type and control of institution. The fall full-time equivalent enrollments (15 credit-hour basis) for years 1966-67 through 1969-70 for each of the institutions participating in this study are presented in Table 19, pp. 94-97.

Indirect expenditures for the three major functions of higher education in the state, i.e., teaching and departmental research, organized research, and extension and public service, are calculated. Certain comparisons are made, including that between tuition/fees revenues and total educational and general expenditures for teaching and departmental research.

The final section contains comparable data for 1966-67 through 1969-70. Certain comparisons are made, highlights of which are contained in a summary placed at the beginning of the report for convenience.

II. SOURCES OF REVENUE

Background:

Revenue data presented in this report include only revenue for current operating purposes; income for capital outlay is excluded. All current operating revenue data -- regardless of nature or source -- were requested from the institution and are reported according to three basic categories: 1) educational and general revenue; 2) student aid revenue; and 3) auxiliary enterprise revenue. An additional category, major service programs, was added to the HEGIS report in 1968. Definitions relating to which items are included in each of these four sources, as well as for subsources within these four general groupings, are given in the Glossary, pp. viii-xi. Note that the major category "Total Educational and General Revenue" is further divided, using eight other subcategories: tuition and fees, endowment earnings, private gifts and grants, governmental appropriations, sponsored research, other separately budgeted research, other sponsored programs, and other educational and general revenue.

Types of Revenue:

During the year 1969-70, all Minnesota institutions of higher education received a total of 410,257,423 dollars, of which 324,352,805 dollars were received in the form of educational and general revenues, in contrast to non-instructional revenues for student aid grants, auxiliary enterprises

and major service programs. Public institutions received revenues more than three and one-half times as great as those received by the private institutions (324.5 million and 85.7 million dollars, respectively). Among all types of institutions, the University of Minnesota (including all its campuses) received the greatest amount of total current fund revenue (about 265.6 million dollars) while the private junior colleges, the smallest group, received the least in current fund revenues (2.5 million dollars).

A graphic comparison of the three major sources of total revenues for private, public, and all Minnesota higher education institutions for 1969-70 is shown in Figure 2, p. 5. All Minnesota institutions together received 79.1 per cent of their total revenues as <u>educational and general</u> revenue, 17.8 per cent as <u>auxiliary enterprise</u> revenue, and 3.1 per cent in the form of <u>student aid</u> revenue. In comparing the private and public institutions, a greater proportion of educational and general revenue (81.6%) was received by public institutions than by private institutions (69.6%). On the other hand, private institutions received a larger proportion of their revenues in the form of student aid revenue (5.1%) than did the public institutions (2.6%) (also see Table 8, pp. 28-29).

Current <u>educational and general</u> (operating) fund revenues from eight different sources are summarized in Table 10, pp. 37-40. Current fund revenue figures, proportions of total educational and general (operating) revenue represented in each of the subcategories, and a comparison of revenue dollars in each category with the full-time equivalent enrollments of a particular group of higher education institutions by type and control are shown.

TABLE 10

CURRENT EDUCATIONAL AND GENERAL FUNDS BY SOURCE, 1969-1970

	TUITION AND FEES	ENDOWMENT EARNINGS	PRIVATE GIFTS AND GRANTS	GOVERNMENTAL APPROPRIATIONS	
				FEDERAL	STATE
STATE JUNIOR COLLEGES					
Current Fund Revenue	$ 4,832,354			$ 475,065	$ 11,576,497
% of Total Educ. & Gen. Revenue	27.3			2.7	65.5
% of All Public Institutions	11.3			1.1	9.4
Per F.T.E.[15]	$ 303.65			$ 29.85	$ 727.44
STATE COLLEGES					
Current Fund Revenue	14,180,152	$ 163	$ 26,565	2,277,551	33,277,385
% of Total Educ. & Gen. Revenue	28.1	0.0	0.1	4.5	65.9
% of All Public Institutions	33.1	0.0	4.3	5.1	27.0
Per F.T.E.[15]	399.12	$ 0.0	$ 0.75	64.11	943.83
UNIVERSITY OF MINNESOTA					
Current Fund Revenue	23,804,921	3,370,417	585,781	41,973,879	78,565,821
% of Total Educ. & Gen. Revenue	12.1	1.7	0.3	21.4	40.0
% of All Public Institutions	55.6	100.0	95.7	93.8	63.7
Per F.T.E.[15]	533.62	75.55	13.13	940.91	1,761.17
PRIVATE JUNIOR COLLEGES					
Current Fund Revenue	990,746		423,752	204,006	6,457
% of Total Educ. & Gen. Revenue	52.7		22.5	10.8	0.3
% of All Private Institutions	2.6		3.6	0.4	47.4
Per F.T.E.[15]	915.66		391.64	188.55	5.97
PRIVATE FOUR-YEAR COLLEGES					
Current Fund Revenue	35,764,343	3,256,767	10,294,481	1,265,941	7,158
% of Total Educ. & Gen. Revenue	64.0	5.8	18.4	2.3	0.0
% of All Private Institutions	95.3	96.0	88.5	86.0	52.6
Per F.T.E.[15]	1,289.64	117.44	371.21	45.65	0.26

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TABLE 10

CURRENT EDUCATIONAL AND GENERAL FUNDS BY SOURCE, 1969-1970

	TUITION AND FEES	ENDOWMENT EARNINGS	PRIVATE GIFTS AND GRANTS	GOVERNMENTAL APPROPRIATIONS	
				FEDERAL	STATE
PRIVATE PROFESSIONAL SCHOOLS					
Current Fund Revenue	$ 782,279	$ 135,614	$ 916,578	$ 2,718	
% of Total Educ. & Gen. Revenue	42.1	7.3	49.3	0.1	
% of All Private Institutions	2.1	10.0	7.9	0.2	
Per F.T.E.[15]	$ 629.35	$109.10	$737.39	$ 2.19	
ALL PUBLIC INSTITUTIONS					
Current Fund Revenue	42,817,427	3,370,580	612,346	44,726,495	$123,419,703
% of Total Educ. & Gen. Revenue	15.9	1.3	0.3	16.9	46.7
% of All Minnesota Institutions	53.3	49.8	5.0	96.8	100.0
Per F.T.E.[15]	445.77	35.09	6.38	465.65	$1,284.93
ALL PRIVATE INSTITUTIONS					
Current Fund Revenue	37,537,368	3,392,381	11,634,811	1,472,665	13,615
% of Total Educ. & Gen. Revenue	63.0	5.7	19.5	2.5	0.0
% of All Minnesota Institutions	46.7	50.2	95.0	3.2	0.0
Per F.T.E.[15]	1,248.87	112.86	387.09	49.00	0.45
ALL MINNESOTA INSTITUTIONS					
Current Fund Revenue	80,354,795	6,762,961	12,247,157	46,199,160	123,433,318
% of Total Educ. & Gen. Revenue	24.8	2.1	3.8	14.2	38.1
% of All Minnesota Institutions	100.0	100.0	100.0	100.0	100.0
Per F.T.E.[15]	637.18	53.63	97.12	366.34	978.78

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TABLE 10

CURRENT EDUCATIONAL AND GENERAL FUNDS BY SOURCE, 1969-1970

	GOVT'L APPRO. LOCAL	NON-GOVERNMENTAL	OTHER EDUCATIONAL AND GENERAL	TOTAL EDUCATIONAL AND GENERAL
STATE JUNIOR COLLEGES				
Current Fund Revenue	$ 12,481	$ 2,035	$ 778,856	$ 17,677,288
% of Total Educ. & Gen. Revenue	0.0	0.0	4.4	100.0
% of All Public Institutions	7.1	0.0	1.8	6.7
Per F.T.E.[15]	$ 0.78	$ 0.13	$ 48.94	$1,110.80
STATE COLLEGES				
Current Fund Revenue	163,631	30,388	535,062	50,490,897
% of Total Educ. & Gen. Revenue	0.3	0.1	1.1	100.0
% of All Public Institutions	92.9	0.4	1.3	19.1
Per F.T.E.[15]	4.61	86.2	15.06	1,421.16
UNIVERSITY OF MINNESOTA				
Current Fund Revenue		7,675,445	40,590,726	196,566,990
% of Total Educ. & Gen. Revenue		3.9	20.6	100.0
% of All Public Institutions		99.6	96.9	74.2
Per F.T.E.[15]		172.06	909.90	4,406.34
PRIVATE JUNIOR COLLEGES				
Current Fund Revenue	11,440	125,892	118,782	1,881,075
% of Total Educ. & Gen. Revenue	0.6	6.7	6.3	100.0
% of All Private Institutions	100.0	4.9	4.0	3.2
Per F.T.E.[15]	10.57	116.35	109.78	1,738.52
PRIVATE FOUR-YEAR COLLEGES				
Current Fund Revenue		2,456,426	2,832,701	55,877,717
% of Total Educ. & Gen. Revenue		4.4	5.1	100.0
% of All Private Institutions		95.1	95.3	93.7
Per F.T.E.[15]		88.58	102.15	2,014.93

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TABLE 10

CURRENT EDUCATIONAL AND GENERAL FUNDS BY SOURCE, 1969-1970

	GOVT'L APPRO. LOCAL	NON-GOVERNMENTAL	OTHER EDUCATIONAL AND GENERAL	TOTAL EDUCATIONAL AND GENERAL
PRIVATE PROFESSIONAL SCHOOLS				
Current Fund Revenue		$ 987	$ 20,562	$ 1,858,738
% of Total Educ. & Gen. Revenue		0.0	1.1	100.0
% of All Private Institutions		0.0	1.0	3.1
Per F.T.E.[15]		$ 0.79	$ 16.54	$1,495.36
ALL PUBLIC INSTITUTIONS				
Current Fund Revenue	$176,112	7,707,868	41,904,644	264,735,175
% of Total Educ. & Gen. Revenue	0.1	2.9	15.8	100.0
% of All Minnesota Institutions	93.9	74.9	93.4	81.6
Per F.T.E.[15]	$ 1.83	80.25	436.27	2,756.17
ALL PRIVATE INSTITUTIONS				
Current Fund Revenue	11,440	2,583,305	2,972,045	59,617,530
% of Total Educ. & Gen. Revenue	0.0	4.3	5.0	100.0
% of All Minnesota Institutions	6.1	25.1	6.6	18.4
Per F.T.E.[15]	0.38	85.95	98.88	1,983.48
ALL MINNESOTA INSTITUTIONS				
Current Fund Revenue	187,552	10,291,173	44,876,689	324,352,805
% of Total Educ. & Gen. Revenue	0.0	3.2	13.8	100.0
% of All Minnesota Institutions	100.0	100.0	100.0	100.0
Per F.T.E.[15]	1.49	81.60	355.86	2,572.00

When all institutions of higher education are viewed in this analysis, it can be seen that the largest source of total educational and general (operating) revenue was the state government (38.1%), followed by that of tuition and fees (24.8%). When only public institutions are viewed as a group, the state government was the source of 46.7 per cent, while the tuition and fees source supplied 15.9 per cent. Private gifts and grants comprised 3.8 per cent of the total educational and general revenue for all Minnesota institutions of higher education, while providing only 0.3 per cent for all public institutions. Private gifts and grants provided 19.5 per cent of the total educational and general (operating) revenue for all private institutions. When private institutions are viewed alone, tuition and fees (63.0%) is the largest single source of total educational and general revenue, while private gifts and grants (19.5%) constitute the second largest source. Among the public systems of higher education, tuition and fees provided about equal proportions of the total educational and general (operating) revenues for the State Junior College System and for the State College System, (27.3 and 28.1%, respectively) while tuition and fees represent 12.1 per cent of the total educational and general revenues for the University of Minnesota. It should be emphasized in this context, however, that the percentage of tuition and fees, as part of total revenues, varies greatly among institutions, both because of kind of control (public or private) and because of the different nature and missions of the institutions and systems involved.

All Minnesota institutions of higher education received an average of $637.18 per full-time equivalent enrollment (15 credit hours) in the form of tuition and fees, varying among the categories from a low of $303.65 within the State Junior College System to $1,289.64 for the private

TABLE II

TOTAL CURRENT FUND REVENUE BY SYSTEM, 1969-70

	TOTAL EDUCATIONAL AND GENERAL REVENUE	STUDENT AIDS & GRANTS REVENUE	AUXILIARY ENTERPRISES	MAJOR SERVICE PROGRAMS	TOTAL CURRENT FUND REVENUE
STATE JUNIOR COLLEGE SYSTEM					
Current Fund Revenue	$ 17,657,289	$ 368,214	$ 1,312,467	$1,063	$ 19,359,033
% of Total Current Fund Rev.	91.2	1.9	6.8	0.0	100.0
% of All Public Institutions	6.7	4.3	2.6	100.0	10.0
Per F.T.E.[15]	$1,109.54	$ 23.14	$ 82.47	$0.07	$1,216.48
STATE COLLEGE SYSTEM					
Current Fund Revenue	50,490,897	1,986,542	16,404,715		68,882,154
% of Total Current Fund Rev.	73.3	2.9	23.8		100.0
% of All Public Institutions	19.1	23.4	32.0		21.2
Per F.T.E.[15]	1,421.16	55.91	461.74		1,938.81
UNIVERSITY OF MINNESOTA					
Current Fund Revenue	196,566,990	6,151,421	33,615,086		236,333,497
% of Total Current Fund Rev.	83.2	2.6	14.2		100.0
% of All Public Institutions	74.3	72.3	65.5		72.8
Per F.T.E.[15]	4,406.34	137.89	753.53		5,297.77
ALL PUBLIC INSTITUTIONS					
Current Fund Revenue	264,735,175	8,506,177	51,332,268	1,063	324,574,683
% of Total Current Fund Rev.	81.6	2.6	15.8	0.0	100.0
% of All Minnesota Institutions	64.5	66.1	70.3	11.9	79.1
Per F.T.E.[15]	2,756.17	88.56	534.42	0.01	3,379.16
PRIVATE JUNIOR COLLEGES					
Current Fund Revenue	1,881,075	99,069	529,854		2,509,998
% of Total Current Fund Rev.	74.9	3.9	21.1		100.0
% of All Private Institutions	3.2	2.3	2.4		9.8
Per F.T.E.[15]	1,738.52	91.56	489.70		2,319.78

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TABLE II

TOTAL CURRENT FUND REVENUE BY SYSTEM, 1969-70

	TOTAL EDUCATIONAL AND GENERAL REVENUE	STUDENT AIDS & GRANTS REVENUE	AUXILIARY ENTERPRISES	MAJOR SERVICE PROGRAMS	TOTAL CURRENT FUND REVENUE
PRIVATE FOUR-YEAR COLLEGES*					
Current Fund Revenue	$ 55,877,717	$ 4,222,064	$20,408,916	$7,899	$ 80,516,596
% of Total Current Fund Rev.	69.4	5.2	25.3	0.0	100.0
% of All Private Institutions	93.7	96.7	94.1	100.0	94.0
Per F.T.E.[15]	$2,014.92	$152.25	$735.93	$0.28	$2,903.38
PRIVATE PROFESSIONAL SCHOOLS					
Current Fund Revenue	1,858,738	46,981	750,327		2,656,046
% of Total Current Fund Rev.	70.0	1.8	28.2		100.0
% of All Private Institutions	3.1	1.1	3.5		3.1
Per F.T.E.[15]	1,495.36	37.80	603.64		2,136.80
ALL PRIVATE INSTITUTIONS*					
Current Fund Revenue	59,617,530	4,368,114	21,689,097	7,899	85,682,640
% of Total Current Fund Rev.	69.6	5.1	25.3	0.0	100.0
% of All Minnesota Institutions	18.4	33.9	29.7	90.9	20.9
Per F.T.E.[15]	1,983.48	145.33	721.60	0.26	2,850.67
ALL MINNESOTA INSTITUTIONS					
Current Fund Revenue	324,352,805	12,874,291	73,021,365	8,962	410,257,323
% of Total Current Fund Rev.	79.1	3.1	17.8	0.0	100.0
% of All Minnesota Institutions	100.0	100.0	100.0	100.0	100.0
Per F.T.E.[15]	2,572.00	102.09	579.03	0.07	3,253.19

*Lea College not included.

senior colleges, considered as a group. This average for all public institutions was $445.77, and for all private institutions, $1,248.87.

Summaries of total current fund revenues by type and control of institution are given by the three major sources: total educational and general revenue, student aid revenue, and auxiliary enterprise revenue in Table II, pp. 42-43 (also Figure 2, p. 5). The highest proportionate share of the total current fund revenue was that of total educational and general revenue regardless of whether institutional groupings are considered by type or by control. This percentage for all Minnesota institutions was 79.1 per cent, with 81.6 per cent for all public institutions, and 69.6 per cent for all private institutions. The highest percentage of total educational and general revenue compared to total current fund revenue was found in the state junior colleges (91.2) and the lowest percentage was found in the private colleges (69.4). A national comparison for the private college sector may be found by using available 1965-66 financial statistics generated by the U. S. Office of Education. In that year, current fund revenues among private institutions nationally amounted to $5,213,000,000, of which 70.2 per cent were in the form of educational and general revenue and 1.3 per cent were in the form of revenues for student aid.

III. NATURE OF EXPENDITURES

Background:

All current operating fund expenditures of Minnesota higher education institutions are reported according to four major categories: total

TABLE 12

SUMMARY OF TOTAL CURRENT FUND EXPENDITURES, 1969-70

	TOTAL EDUCATIONAL AND GENERAL EXPENDITURES	STUDENT AIDS & GRANTS	AUXILIARY ENTERPRISES	MAJOR SERVICE PROGRAMS	TOTAL CURRENT FUND EXPENDITURES
STATE JUNIOR COLLEGES					
Current Fund Expense	$ 17,677,289	$ 368,214	$ 1,312,467	$1,063	$ 19,359,033
% of Total Current Fund Exp.	91.3	1.9	6.8	0.0	100.0
% of All Public Institutions	6.9	4.4	2.7	100.0	6.2
Per F.T.E.[15]	$1,110.80	$ 23.14	$ 82.47	$0.07	$1,216.48
STATE COLLEGES					
Current Fund Expense	48,349,529	1,794,603	15,871,137	none	66,017,269
% of Total Current Fund Exp.	73.2	2.7	24.0		100.0
% of All Public Institutions	18.8	21.4	32.7		21.0
Per F.T.E.[15]	1,360.89	50.51	446.72		1,858.18
UNIVERSITY OF MINNESOTA					
Current Fund Expense	191,609,663	6,226,165	31,313,322	none	229,149,150
% of Total Current Fund Exp.	83.6	2.7	13.7		100.0
% of All Public Institutions	74.4	74.2	64.6		72.9
Per F.T.E.[15]	4,295.22	139.57	701.94		5,136.72
PRIVATE JUNIOR COLLEGES					
Current Fund Expense	2,071,738	130,678	380,154	none	2,582,570
% of Total Current Fund Exp.	80.2	5.1	14.7		100.0
% of All Private Institutions	3.4	1.7	2.0		2.9
Per F.T.E.[15]	1,914.73	120.77	351.34		2,386.85
PRIVATE FOUR-YEAR COLLEGES					
Current Fund Expense	57,998,978	7,624,213	18,839,086	3,106	84,465,383
% of Total Current Fund Exp.	68.7	9.0	22.3	0.0	100.0
% of All Private Institutions	93.9	98.0	95.3	100.0	94.5
Per F.T.E.[15]	2,116.21	278.18	687.38	0.11	3,081.88

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TABLE 12

SUMMARY OF TOTAL CURRENT FUND EXPENDITURES, 1969-70

	TOTAL EDUCATIONAL AND GENERAL EXPENDITURES	STUDENT AIDS & GRANTS	AUXILIARY ENTERPRISES	MAJOR SERVICE PROGRAMS	TOTAL CURRENT FUND EXPENDITURES
PRIVATE PROFESSIONAL SCHOOLS					
Current Fund Expense	$ 1,688,868	$ 28,343	$ 522,402	none	$ 2,239,613
% of Total Current Fund Exp.	75.4	1.3	23.3		100.0
% of All Private Institutions	2.8	0.4	2.7		2.6
Per F.T.E.[15]	$2,029.89	$ 34.07	$627.89		$2,691.85
ALL PUBLIC INSTITUTIONS					
Current Fund Expense	257,636,481	8,388,982	48,496,926	$1,063	314,523,452
% of Total Current Fund Exp.	81.9	2.7	15.4	0.0	100.0
% of All Minnesota Institutions	80.7	51.9	71.1	25.5	77.9
Per F.T.E.[15]	2,682.26	87.34	504.90	$0.01	3,274.51
ALL PRIVATE INSTITUTIONS					
Current Fund Expense	61,759,584	7,783,234	19,741,642	3,106	89,287,566
% of Total Current Fund Exp.	69.2	8.7	22.1	0.0	100.0
% of All Minnesota Institutions	19.3	48.1	28.9	74.5	22.1
Per F.T.E.[15]	2,106.33	265.45	673.29	0.11	3,045.17
ALL MINNESOTA INSTITUTIONS					
Current Fund Expense	319,396,065	16,172,216	68,238,568	4,169	403,811,018
% of Total Current Fund Exp.	79.1	4.0	16.9	0.0	100.0
% of All Minnesota Institutions	100.0	100.0	100.0	100.0	100.0
Per F.T.E.[15]	2,545.82	128.43	543.14	0.03	3,217.42

educational and general expenditures, student aid grants, auxiliary enterprise expenditures, and major service programs. In turn, the main category, total educational and general expenditures, is divided for reporting purposes into nine subcategories: instruction and departmental research, extension and public service, libraries, operation and maintenance of physical plant, general administration and general expense, organized research from federal funds, organized research from other sources, other sponsored activities and all other educational and general expenditures. Table 12, pp. 45-46, includes a detailed accounting of all educational and general expenditures, while Table 13, pp. 49-52, includes summaries by institutional type and control for the four major categories of expenditures comprising total current fund expenditures. Both tables 12 and 13 show the total of funds expended in each category of expense and proportions of the total activity or function described by any major category or subcategory.

Types of Expenditures:

The total current fund expenditures for all Minnesota institutions of higher education in 1969-70 was $403,811,018 of which $319,396,065, or 79.1 per cent were for educational and general expenditures. Total current fund expenditures for all private institutions amounted to $89,287,566, of which $61,759,584 or 69.2 per cent, were educational and general expenditures. Public institutions spent a total of $314,523,452, of which $257,636,481 or 81.9 per cent were total educational and general expenditures. Current fund expenditures made by the University of

Minnesota, totaled $229,149,150, which represented 72.9 per cent of the total expenditure for all public institutions. The least total current fund expenditures were those of the private junior colleges, for a total of $2,582,570, or 2.9 per cent of all private institution expenditures.

Two important categories of total current fund expenditures not related to costs of instruction are Student Aid Grants and Auxiliary Enterprises, the latter consisting largely of food services and dormitory housing.

Student Aid Grants accounted for 4.0 per cent of the Total Current Fund Expenditures for all Minnesota institutions, 8.7 per cent for all private institutions and 2.7 per cent for all public institutions. The highest proportion, 9.0 per cent, was that of the private four-year colleges and the lowest, 1.3 per cent, the private professional schools. The state colleges and the University of Minnesota each spent 2.7 per cent of total current fund expenditures for student aid grants (Table 12, pp. 45-46).

Auxiliary Enterprises expenditures accounted for 16.9 per cent of total current fund expenditures of all Minnesota institutions, 22.1 per cent for all private institutions and 15.4 per cent for all public institutions. The lowest proportion of this expense was found among the state junior colleges, 6.8 per cent. It should be emphasized that the expenditures being discussed at this point are considered as direct expenditures, and do not take into account indirect costs for any of these functions.

Total educational and general expenditures are summarized, under nine categories for all institutions by type and by control, in Table 13, pp. 49-52. Regardless how the institutions are viewed, (i.e., totally, by type, or by control), instruction and departmental research commands

TABLE 13

CURRENT EDUCATIONAL AND GENERAL EXPENDITURES, BY PURPOSE, 1969-70

	INSTRUCTION & DEPARTMENTAL RESEARCH	RELATED ORGANIZED ACTIVITIES	SPONSORED RESEARCH	OTHER RESEARCH	OTHER SPONSORED PROGRAMS
STATE JUNIOR COLLEGES					
Funds Expended	$ 9,954,001	$ 768,810		$ 10,046	$ 429,692
% of Total Educ. & Gen. Exp.	56.3	4.3		0.5	2.4
Per F.T.E.[15]	$ 625.48	$ 48.31		$ 0.63	$ 27.0
STATE COLLEGES					
Funds Expended	30,426,501	1,187,108	$ 68,025	4,761	1,720,119
% of Total Educ. & Gen. Exp.	62.9	2.5	0.1	0.0	35.5
Per F.T.E.[15]	856.41	46.50	$ 2.66	0.13	48.42
UNIVERSITY OF MINNESOTA					
Funds Expended	53,616,281	29,077,259	27,544,228	9,236,016	13,090,619
% of Total Educ. & Gen. Exp.	28.0	15.2	14.4	4.8	6.8
Per F.T.E.[15]	1,201.89	651.81	617.45	207.04	293.45
PRIVATE JUNIOR COLLEGES					
Funds Expended	488,464	580,114			
% of Total Educ. & Gen. Exp.	23.6	28.0			
Per F.T.E.[15]	451.45	536.15			
PRIVATE FOUR-YEAR COLLEGES					
Funds Expended	26,894,968	2,733,513	488,009	148,239	1,782,404
% of Total Educ. & Gen. Exp.	46.4	4.7	0.8	0.3	3.0
Per F.T.E.[15]	981.32	99.74	17.81	5.41	65.03

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TABLE 13

CURRENT EDUCATIONAL AND GENERAL EXPENDITURES, BY PURPOSE, 1969-70

	INSTRUCTION & DEPARTMENTAL RESEARCH	RELATED ORGANIZED ACTIVITIES	SPONSORED RESEARCH	OTHER RESEARCH	OTHER SPONSORED PROGRAMS
PRIVATE PROFESSIONAL SCHOOLS[1]					
Funds Expended	$ 821,080	$ 9,880			
% of Total Educ. & Gen. Exp.	48.6	0.6			
Per F.T.E.[15]	$ 986.88	$ 11.88			
ALL PUBLIC INSTITUTIONS					
Funds Expended	93,996,783	31,033,177	$27,612,253	$9,250,823	$15,240,430
% of Total Educ. & Gen. Exp.	36.5	12.1	10.7	3.6	5.9
Per F.T.E.[15]	978.60	323.09	$287.47	$ 96.31	$158.66
ALL PRIVATE INSTITUTIONS					
Funds Expended	28,204,512	3,323,507	488,009	148,239	1,782,404
% of Total Educ. & Gen. Exp.	45.7	5.3	0.8	0.2	2.9
Per F.T.E.[15]	961.92	113.35	16.64	5.06	60.79
ALL MINNESOTA INSTITUTIONS					
Funds Expended	122,201,295	34,356,684	28,100,262	9,399,062	17,022,834
% of Total Educ. & Gen. Exp.	38.3	10.8	8.8	2.9	5.3
Per F.T.E.[15]	974.70	274.04	224.13	74.97	135.78

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[1] Luther Seminary not included.

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TABLE 13

CURRENT EDUCATIONAL AND GENERAL EXPENDITURES, BY PURPOSE, 1969-70

	EXTENSION & PUBLIC SERVICE	LIBRARIES	PHYSICAL PLANT MAINTENANCE & OPERATION	OTHER EDUCATIONAL AND GENERAL EXPENDITURES	TOTAL EDUCATIONAL AND GENERAL EXPENDITURES
STATE JUNIOR COLLEGES					
Funds Expended		$ 986,017	$ 987,852	$ 4,540,871	$ 17,677,289
% of Total Educ. & Gen. Exp.		5.6	5.1	25.7	100.0
Per F.T.E.[15]		$ 61.96	$ 62.07	$285.33	$1,110.80
STATE COLLEGES					
Funds Expended	$ 408,441	4,145,096	4,176,925	6,212,553	48,349,529
% of Total Educ. & Gen. Exp.	0.9	8.6	8.6	12.8	100.0
Per F.T.E.[15]	$ 11.50	116.67	117.57	174.86	1,360.89
UNIVERSITY OF MINNESOTA					
Funds Expended	20,512,606	4,245,717	13,375,406	20,911,531	191,609,663
% of Total Educ. & Gen. Exp.	10.7	2.2	7.0	10.9	100.0
Per F.T.E.[15]	459.82	95.17	299.83	468.76	4,295.22
PRIVATE JUNIOR COLLEGES					
Funds Expended		88,425	228,545	686,190	2,071,738
% of Total Educ. & Gen. Exp.		4.3	11.0	33.1	100.0
Per F.T.E.[15]		81.72	211.22	634.19	1,914.73
PRIVATE FOUR-YEAR COLLEGES					
Funds Expended	728,342	2,681,082	5,963,900	16,578,521	57,998,978
% of Total Educ. & Gen. Exp.	1.3	4.6	10.3	28.6	100.0
Per F.T.E.[15]	26.58	97.82	217.60	604.90	2,116.21

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TABLE 13

CURRENT EDUCATIONAL AND GENERAL EXPENDITURES, BY PURPOSE, 1969-70

	EXTENSION & PUBLIC SERVICE	LIBRARIES	PHYSICAL PLANT MAINTENANCE & OPERATION	OTHER EDUCATIONAL AND GENERAL EXPENDITURES	TOTAL EDUCATIONAL AND GENERAL EXPENDITURES
PRIVATE PROFESSIONAL SCHOOLS[1]					
Funds Expended	$ 37,375	$ 229,929	$ 228,786	$ 361,818	$ 1,688,868
% of Total Educ. & Gen. Exp.	2.2	13.6	13.5	21.4	100.0
Per F.T.E.[15]	$ 44.92	$276.36	$274.98	$434.88	$2,029.90
ALL PUBLIC INSTITUTIONS					
Funds Expended	20,921,047	9,376,830	18,540,183	31,664,955	257,636,481
% of Total Educ. & Gen. Exp.	8.1	3.6	7.2	12.3	100.0
Per F.T.E.[15]	217.80	97.62	193.02	329.66	2,682.26
ALL PRIVATE INSTITUTIONS					
Funds Expended	765,717	2,999,436	6,421,231	17,626,529	61,759,584
% of Total Educ. & Gen. Exp.	1.3	4.9	10.4	28.5	100.0
Per F.T.E.[15]	26.12	102.30	219.00	601.16	2,106.34
ALL MINNESOTA INSTITUTIONS					
Funds Expended	21,686,764	12,376,266	24,961,414	49,291,484	319,396,065
% of Total Educ. & Gen. Exp.	6.8	3.9	7.8	15.4	100.0
Per F.T.E.[15]	172.98	98.72	199.10	393.16	2,547.57

[1] Luther Seminary not included.

the largest proportion of total educational and general expenditures. This proportion, expressed as a percentage, was 38.3 for all Minnesota institutions of higher education, 36.5 per cent for all public institutions, and 45.7 per cent for all private institutions. The category of institutions showing the highest proportion of instruction and departmental research expenditures was the State College System (62.9%), while the University of Minnesota proportion (28.0%) was the lowest.

Expenditures for the function of Extension and Public Service were least in size, varying from none for the private professional category of schools to 10.7 per cent for the University System. For all Minnesota institutions, this function represented 6.8 per cent of total educational and general expenditures.

For all Minnesota higher education institutions expenditure for the function of Sponsored Research was 8.8 per cent. This expenditure varied from none, for both the state and private junior colleges, to 14.4 per cent for the University of Minnesota System. Expenditures for research were notably less than in 1968-69 (Table 17, pp. 65-69).

Expenditures Representing Functions of Higher Education:

Higher education in the United States is viewed as being charged with three major functions or purposes: instruction and departmental research, sponsored research, and extension and public service. In order to analyze the financial data of this study in more meaningful detail, portions of the various categories of total educational and general expenditures were assigned to the expenditures for one of these three major functions. In addition to accounting the direct costs for each

TABLE 14

DIRECT AND INDIRECT EXPENDITURES FOR INSTRUCTION AND DEPARTMENTAL RESEARCH, EXTENSION AND PUBLIC SERVICE, AND ORGANIZED RESEARCH, 1969-70

	DIRECT EXPENDITURE	% OF TOTAL DIRECT EXPENDITURE	INDIRECT EXPENDITURE	DIRECT AND INDIRECT COMBINED TOTAL	PER F.T.E. (15 CR. HRS.)	% OF TOTAL CURRENT FUND EXP.
STATE JUNIOR COLLEGES						
Instruction & Dept. Research	$ 9,954,001	99.9	$ 7,705,528	$ 17,659,529	$1,109.68	91.2
Extension & Public Service		0.0				0.0
Organized Research	10,046	0.1	7,714	17,760	1.12	0.1
TOTAL	9,964,047	100.0	7,713,242	17,677,289	1,110.80	91.3
STATE COLLEGES						
Instruction & Dept. Research	30,426,501	98.4	17,162,733	47,589,234	1,339.49	72.1
Extension & Public Service	408,441	1.3	226,743	635,184	17.88	0.9
Organized Research	72,786	0.3	52,325	125,111	3.52	0.2
TOTAL	30,907,728	100.0	17,440,801	48,349,529	1,360.89	73.2
UNIVERSITY OF MINNESOTA						
Instruction & Dept. Research	53,616,281	48.3	38,978,357	92,594,638	2,075.65	40.4
Extension & Public Service	20,512,606	18.5	14,929,598	35,442,204	794.49	15.5
Organized Research	36,780,244	33.2	26,792,577	63,572,821	1,425.08	27.7
TOTAL	110,909,131	100.0	80,700,532	191,609,663	4,295.22	83.6
PRIVATE JUNIOR COLLEGES						
Instruction & Dept. Research	488,464	100.0	1,583,274	2,071,738	1,914.73	80.2
Extension & Public Service		0.0				0.0
Organized Research		0.0				0.0
TOTAL	488,464	100.0	1,583,274	2,071,738	1,914.73	80.2
PRIVATE FOUR-YEAR COLLEGES						
Instruction & Dept. Research	26,894,968	95.2	28,311,928	55,215,027	2,014.63	65.4
Extension & Public Service	728,342	2.6	773,225	1,507,973	55.02	1.8
Organized Research	636,248	2.2	654,267	1,275,978	46.56	1.5
TOTAL	28,259,558	100.0	29,739,420	57,998,978	2,116.21	68.7

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TABLE 14

DIRECT AND INDIRECT EXPENDITURES FOR INSTRUCTION AND DEPARTMENTAL RESEARCH, EXTENSION AND PUBLIC SERVICE, AND ORGANIZED RESEARCH, 1969-70

	DIRECT EXPENDITURE	% OF TOTAL DIRECT EXPENDITURE	INDIRECT EXPENDITURE	DIRECT AND INDIRECT COMBINED TOTAL	PER F.T.E. (15 CR. HRS.)	% OF TOTAL CURRENT FUND EXP.
PRIVATE PROFESSIONAL SCHOOLS						
Instruction & Dept. Research	$ 821,080	95.6	$ 793,875	$ 1,614,955	$1,941.05	72.1
Extension & Public Service	37,375	4.4	36,538	73,913	88.84	3.3
Organized Research		0.0				0.0
TOTAL	858,455	100.0	830,413	1,688,868	2,029.89	75.4
ALL PUBLIC INSTITUTIONS						
Instruction & Dept. Research	93,996,783	61.9	65,524,600	159,521,383	1,660.78	50.8
Extension & Public Service	20,921,047	13.8	14,608,070	35,529,116	369.89	11.3
Organized Research	36,863,076	24.3	25,722,905	62,585,980	651.59	19.9
TOTAL	151,780,906	100.0	105,855,575	257,636,481	2,682.26	82.0
ALL PRIVATE INSTITUTIONS						
Instruction & Dept. Research	28,204,512	95.3	30,641,910	58,856,884	2,007.33	65.9
Extension & Public Service	765,717	2.6	835,981	1,605,749	54.76	1.8
Organized Research	636,248	2.1	675,215	1,296,951	44.23	1.5
TOTAL	29,606,477	100.0	32,153,107	61,759,584	2,106.32	69.2
ALL MINNESOTA INSTITUTIONS						
Instruction & Dept. Research	122,201,295	67.3	92,879,843	214,953,552	1,714.51	53.2
Extension & Public Service	21,686,764	12.0	16,561,042	38,327,528	305.71	9.5
Organized Research	37,499,324	20.7	28,567,797	66,114,985	527.35	16.4
TOTAL	181,387,383	100.0	138,008,682	319,396,065	2,547.57	79.1

of these three major functions declared by the institutions in this study, the remaining categories of educational and general expenditures were added to the three categories representing the higher educational purposes as indirect costs. Total direct and indirect costs of the three functions of higher education per full-time equivalent student were calculated and are included in Table 14, pp. 54-55.

Among all Minnesota institutional efforts as measured in terms of percentage of Total Educational and General dollar expenditures, 67.3 per cent was allocated to instruction and departmental research, 20.7 per cent to organized research and 12.0 per cent to extension and public service (Table 14, pp. 54-55). When all private institutions were viewed, 95.3 per cent of the total institutional effort was given to instruction and departmental research, 2.1 per cent to organized research and 2.6 per cent to extension and public service. Percentages for all public institutions were 61.9, 24.3, and 13.8 per cent, respectively. According to this expenditure analysis, private junior colleges were engaged principally in instruction and departmental research, while efforts of other systems of Minnesota higher education included sponsored research and extension or public service in varying degrees as well. This analysis shows the University of Minnesota allocated 48.3 per cent for instruction and departmental research, 33.2 for organized research and 18.5 per cent for extension and public service.

Direct and indirect costs of Instruction and Departmental Research for all Minnesota institutions amounted to $1,714.51 per f.t.e.[15] student; for all public institutions, $1,660.78; and for all private institutions, $2,007.33. The lowest cost per f.t.e. student was found among the state junior colleges, $1,109.68, while the highest was found for the University

of Minnesota, $2,075.65. These f.t.e. costs of the teaching function are shown in Table 15, p. 58.

A graphic comparison of the three major categories of educational and general expenditures for private, public and all Minnesota institutions of higher education is shown in Figure 1, p. 3.

Tuition and Fees Revenue and Instructional Expenditures:

Comparisons were made between certain revenues and expenditures data, and these results compared with full-time equivalent enrollment. Revenues from tuition and fees per full-time equivalent enrollment were compared with total expenditures (both direct and indirect) for instruction and departmental research per full-time equivalent enrollment, and calculations of proportions were made, by type and control of institution. The percentage ratio of revenue from tuition and fees to total expenditures for instruction and departmental research was 36.8 per cent for all institutions of higher education, 26.8 for all public institutions and 63.8 for all private institutions. The highest ratio was found among the private four-year colleges, 66.5 per cent; while the 25.7 per cent for the University of Minnesota was the lowest (Table 15, p. 58).

Area Vocational-Technical Schools:

Recognition of the growing importance of post-secondary vocational-technical occupational programs to serve the demands of individuals in need of more advanced training in practical and occupational pursuits to meet the manpower needs of the state in a technological age is reflected in the fast growing budgets and state appropriations for operation of these programs, briefly described in Table 16, p. 60. Total current

TABLE 15

F.T.E.$_{15}$ TUITION AND FEES REVENUES AS A PERCENTAGE OF EXPENDITURES FOR INSTRUCTION AND DEPARTMENTAL RESEARCH, FISCAL YEAR 1969-70

	REVENUE FROM TUITION AND FEES PER F.T.E.$_{15}$	INSTRUCTION AND DEPARTMENTAL RESEARCH PER F.T.E.$_{15}$	TUITION AND FEES OF INSTRUCTION AND DEPARTMENTAL RESEARCH %
State Junior Colleges	$ 304	$1,110	27.4
State Colleges	399	1,339	29.8
University of Minnesota	534	2,076	25.7
Private Junior Colleges	916	1,915	47.8
Private Four-Year Colleges	1,305	2,015	64.8
Private Professional Schools	940	1,941	48.4
All Public Institutions	446	1,661	26.8
All Private Institutions	1,263	2,007	63.8
ALL MINNESOTA INSTITUTIONS	641	1,715	33.4

fund expenditures for Minnesota's post-secondary area vocational-technical schools reached $11,594,896 in fiscal 1968-69. This amount was almost double the expenditure of $5,800,000 two years earlier in 1966-67. Of this amount, the state provided $7,727,224, the federal government, $1,103,321 and local government provided $1,358,705. About 11,400 regular students were served by these programs in 26 area vocational-technical schools throughout the state. Some additional students in state junior colleges, state colleges, and the University of Minnesota were served in vocational-occupational programs for which vocational-technical funding reimbursements were made.

IV. COMPARISONS OF FINANCIAL DATA WITH PRECEDING YEARS

Overview:

In order to gain perspective on fiscal considerations and trends for Minnesota higher education, an examination and comparison of certain financial data with those of preceding years was undertaken, particularly comparisons with 1968-69, and with longer range comparisons from 1966-67, the earliest year for which comparable data are available. Summary tables of revenues and expenditures for fiscal years 1966-67 through 1969-70 are included in Tables 17 and 18, pp. 65-69, and pp. 74-82, respectively.

Comparisons with the Preceding Year, 1968-1969:

The single outstanding fact that emerges in any general comparison of the 1969-70 financial picture with preceding years is the significant increase in magnitude of revenues and expenditures at rates exceeding those of enrollments.

TABLE 16

SOURCES OF FUNDS FOR CURRENT OPERATING EXPENDITURES OF MINNESOTA POST-SECONDARY VOCATIONAL-TECHNICAL EDUCATION PROGRAMS, 1969-70*

FUND SOURCE	AMOUNT
Federal	$ 1,055,441
State	7,469,531
Local	1,350,585
Tuition	437,072
Other	868,204
TOTAL	11,165,243
Per regular student	1,158

*The total expenditure for post-secondary programs in 1966-67 amounted to $5,800,000.

Source: Vocational-Technical Education Division; and Research Division; Minnesota Department of Education.

Wide variations do exist within systems and between individual institutions by type and control, but increases are generally evident, and any decreases are the exception. There was a large increase from an f.t.e.[15] enrollment of 97,728 in the fall of 1966 to 125,373 in fall 1969, an expansion of 27,645, for an increase of 28 per cent over the three-year period. A greater proportion of this enrollment growth occurred in public institutions, with a much smaller proportion of the increase occurring in the private colleges: increases of 25.0 per cent and 6.6 per cent, respectively. Full-time equivalent enrollment increased 82.9 per cent for the State Junior College System, 50.0 per cent for the State College System and 16.8 per cent for the University.

Percentage increases in 1969-70 enrollment over the preceding 1968-69 year amounted to 8.9 per cent for all public institutions and 2.6 per cent for all private institutions. The largest increase occurred in state junior colleges where a 13.0 per cent increase in f.t.e. enrollment occurred while at the other extreme, private junior colleges experienced a 6.0 per cent decrease in f.t.e. enrollment. The state colleges experienced an increase of 8.7 per cent and the University an increase of 8.1 per cent.

A summary of f.t.e. enrollments is given in Table 19, pp. 94-97. The rationale and detail of the procedures used for the tabulation of 1966-67 f.t.e. enrollment are included in footnotes.

1969-70 Current Fund Revenues Compared with 1968-69:

Total 1969-70 Current Fund Revenues for all Minnesota institutions combined rose 15.4 per cent over fiscal 1968-69, from 355.4 million to 410.3 million. For all public institutions there was an increase of

18.3 per cent, from 274.4 million to 324.6 million dollars. For all private institutions there was a modest increase amounting to 5.7 per cent, from 81.0 to 85.7 million dollars. Among systems, the highest gains occurred for the State Junior College System and for the State College System, with increases of 41.3 per cent and 31.4 per cent, respectively (Table 17, pp. 65-69).

Total Educational and General Revenues showed a slightly greater percentage increase of 16.7 per cent for all Minnesota institutions, 19.1 per cent for all public institutions and 7.1 per cent for all private institutions. Among systems the highest gains occurred for the state junior colleges and for the state colleges; 42.2 per cent and 34.2 per cent, respectively.

Among categories of current fund revenues for all Minnesota institutions, tuition and fees rose approximately one-fifth (21.7%). The rise in tuition and fees revenues for all public institutions was notably higher than for all private institutions, 33.3 per cent and 10.6 per cent, respectively. Among systems the highest gain occurred for the state colleges, 44.2 per cent. Gains for the University of Minnesota and the state junior colleges amounted to 29.2 per cent and 25.1 per cent, respectively. The least gain occurred for the private four-year colleges, 10.2 per cent.

Endowment Earnings for all Minnesota institutions fell from 7.2 million to 6.8 million dollars, a drop of more than 6 per cent. For all private institutions, endowment earnings decreased approximately 13 per cent, while for all public institutions there was a small increase of 1.5 per cent. Nearly all endowment funds held by public institutions

were held by the University of Minnesota.

Private Gifts and Grants for all Minnesota institutions rose from 11.8 million for 1968 to 12.2 million for 1969, a rise of about 3.5 per cent. However, 11.6 million of this amount accrued to private colleges. Although there was a substantial increase of 32.6 per cent in giving to public institutions, the total amount involved was only 0.6 million dollars, about 5 per cent of the total amount received by all private institutions.

Governmental Appropriations, including appropriations made by federal, state, and local units of government, rose from 143.6 million for 1968 to 169.8 million for 1969, an increase of 18.3 per cent. The federal government's share rose only 3.7 per cent, while relatively small revenues from local units of government dropped 23 per cent. By far the greater portion of the overall increase was the state's contribution, rising from 98.8 million in 1968-69 to 123.4 million in 1969-70, an increase of nearly one-fourth (24.9%). The state appropriation received by all private institutions was negligible ($13,615). The increase in state appropriations for the state junior colleges amounted to 42.8 per cent; for the state colleges 38.2 per cent; and for the University of Minnesota 18.0 per cent.

Non-Governmental sources of revenue accounted for 10.3 million dollars of educational and general revenues for all Minnesota institutions, up 22.6 per cent from the preceding year. For all private colleges, the increase in this category of revenue amounted to 162.6 per cent, while all public institutions shared in a 4.0 per cent increase.

Other Educational and General revenues for activities organized and operated in connection with instructional departments increased nearly 10 per cent for all Minnesota institutions, from 40.9 million for 1968 to 44.9 million dollars for 1969. However, considered on the basis of control, all private colleges combined showed a decrease of 17.9 per cent in this category of revenue, while all public institutions gained 12.3 per cent.

In the non-instruction related revenue categories, student aids and grants for all Minnesota institutions increased from 10.2 million dollars in 1968 to 12.9 million in 1969, a rise of 26.5 per cent. These amounts do not include monies for repayable loans, or for which student services are required.

Among systems, the greatest increase occurred for the private junior colleges, student aids and grants more than tripling. For all private institutions combined, however, the increase was a more modest 8.3 per cent. The state junior colleges showed a substantial increase in this category of more than half: 53.4 per cent, followed by the University of Minnesota with 41.0 per cent, and the state colleges with 29.1 per cent.

Revenues for Auxiliary Enterprises for all Minnesota increased 8.7 per cent, a rise only slightly larger than the 7.3 per cent increase in total f.t.e. enrollment.

Total Current Funds Revenues increased 15.4 per cent for all institutions, 18.3 per cent for all public and 5.7 for all private institutions.

Among systems, quite substantial rises occurred for the State Junior

TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-7	% CHANGE 1966-67 THROUGH 1969-70
STATE JUNIOR COLLEGES						
Tuition and Fees	$ 1,969,191	$ 2,775,821	$ 3,862,409	$ 4,832,354	+ 25.1	+ 145.4
Endowment Earnings						
Private Gifts and Grants	7,048	13,931				
Governmental Appropriations:	4,269,450	6,907,293	8,548,766	12,064,043	+ 41.1	+ 182.6
Federal	174,530	341,956	433,081	475,065	+ 9.7	+ 172.2
State	4,094,920	6,555,500	8,104,627	11,576,497	+ 42.8	+ 182.7
Local		9,839	11,048	12,481	+ 13.0	
Non-Governmental			21,827	2,035	- 90.7	- 90.7
Other Educational and General	28,436	482		778,856		+2,638.9
Total Educational and General	6,274,125	9,697,529	12,432,992	17,677,288	+ 42.2	+ 181.7
Student Aids and Grants	82,141	196,047	240,004	368,214	+ 53.4	+ 348.3
Auxiliary Enterprises	453,386	907,530	1,027,794	1,312,467	+ 27.7	+ 189.5
Major Service Programs				1,063		
Total Current Funds Revenue	6,809,652	10,801,106	13,700,790	19,359,032	+ 41.3	+ 184.3
STATE COLLEGES						
Tuition and Fees	7,597,552	8,684,964	9,831,852	14,180,152	+ 44.2	+ 86.6
Endowment Earnings	4,728	6,670	5,240	163	- 96.9	- 96.6
Private Gifts and Grants	52,735	73,231	3,765	26,565	+ 605.6	- 49.6
Governmental Appropriations:	15,233,771	22,402,731	26,631,750	35,718,567	+ 34.1	+ 134.5
Federal	1,060,507	1,377,846	2,325,886	2,277,551	- 2.1	+ 115.8
State	13,985,949	20,908,184	24,073,888	33,277,385	+ 38.2	+ 137.9
Local	187,315	156,701	231,976	163,631	- 29.5	- 12.6
Non-Governmental			87,400	30,388	- 65.2	
Other Educational and General	585,072	773,221	1,056,887	535,062	- 49.4	- 8.5
Total Educational and General	23,473,858	31,980,817	37,616,894	50,490,897	+ 34.2	+ 115.1
Student Aids and Grants	529,385	1,706,354	1,539,111	1,986,542	+ 29.1	+ 275.3
Auxiliary Enterprises	9,571,364	11,693,658	13,257,822	16,404,715	+ 23.7	+ 71.4
Major Service Programs						
Total Current Funds Revenue	33,574,607	45,380,829	52,413,827	68,882,154	+ 31.4	+ 105.2

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TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
UNIVERSITY OF MINNESOTA						
Tuition and Fees	$ 13,481,990	$ 17,146,177	$ 18,422,666	$ 23,804,921	+ 29.2	+ 76.6
Endowment Earnings	2,540,860	2,358,374	3,326,888	3,370,417	+ 1.3	+ 32.6
Private Gifts and Grants	5,962,425	475,255	457,847	585,781	+ 27.9	- 90.2
Governmental Appropriations:	70,302,431	88,857,223	106,547,151	121,539,700	+ 14.1	+ 72.9
Federal	29,397,808	42,195,263	39,940,190	41,973,879	+ 5.1	+ 42.8
State	40,904,623	46,661,960	66,606,961	78,565,821	+ 18.0	+ 92.1
Local						
Non-Governmental			7,299,671	7,675,445	+ 5.1	
Other Educational and General	45,176,022	54,775,513	36,255,057	40,590,726	+ 12.0	- 10.1
Total Educational and General	137,463,728	163,612,542	172,309,280	196,566,990	+ 14.1	+ 43.0
Student Aids and Grants	3,227,011	3,857,152	4,363,256	6,151,421	+ 41.0	+ 90.6
Auxiliary Enterprises	25,692,770	29,045,981	31,585,158	33,615,086	+ 6.4	+ 30.8
Major Service Programs						
Total Current Funds Revenue	166,383,509	196,515,675	208,257,694	236,333,497	+ 13.5	+ 42.0
PRIVATE FOUR-YEAR COLLEGES						
Tuition and Fees	26,115,846	27,436,682	32,458,885	35,764,343	+ 10.2	+ 36.9
Endowment Earnings	2,893,807	3,035,757	3,783,010	3,256,767	- 13.9	+ 12.5
Private Gifts and Grants	7,785,148	8,598,646	9,710,782	10,294,481	+ 6.0	+ 32.2
Governmental Appropriations:	1,328,225	1,883,241	1,747,305	1,273,099	- 27.3	- 4.2
Federal	1,538,525	1,878,241	1,738,967	1,265,941	- 27.2	- 17.7
State		5,000	7,700	7,158	- 7.0	
Local		495	638			
Non-Governmental			983,616	2,456,426	+ 149.7	
Other Educational and General	2,726,228	3,658,398	2,880,866	2,832,701	- 1.7	+ 3.9
Total Educational and General	41,059,254	44,613,219	51,564,464	55,877,717	+ 8.4	+ 36.1
Student Aids and Grants	1,988,049	2,781,320	3,892,051	4,222,064	+ 8.5	+ 112.4
Auxiliary Enterprises	17,327,372	18,522,412	20,348,402	20,408,916	+ 0.3	+ 17.8
Major Service Programs				7,899		
Total Current Funds Revenue	60,374,675	65,916,951	75,804,917	80,516,596	+ 6.2	+ 33.4

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TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
PRIVATE JUNIOR COLLEGES						
Tuition and Fees	$ 611,241	$ 763,302	$ 867,828	$ 990,746	+ 14.2	+ 62.1
Endowment Earnings						
Private Gifts and Grants	159,037	479,486	495,135	423,752	- 14.4	+ 166.4
Governmental Appropriations:	82,142	56,620	122,916	221,903	+ 80.5	+ 170.1
Federal	82,142	55,645	122,916	204,006	+ 65.9	+ 148.4
State		975		6,457		
Local				11,440		
Non-Governmental				125,892		
Other Educational and General		103,690	208,781	118,782	- 43.1	
Total Educational and General	852,420	1,403,098	1,694,660	1,881,075	+ 11.0	+ 120.6
Student Aids and Grants	64,534	39,209	30,712	99,069	+ 222.6	+ 53.5
Auxiliary Enterprises	225,416	434,617	459,179	529,854	+ 15.4	+ 135.1
Major Service Programs						
Total Current Funds Revenue	1,142,370	1,876,924	2,184,551	2,509,998	+ 14.9	+ 119.7
PRIVATE PROFESSIONAL SCHOOLS						
Tuition and Fees	417,898	453,499	605,191	782,279*		
Endowment Earnings	83,454	125,102	126,008	135,614		
Private Gifts and Grants	906,982	1,153,459	1,169,136	916,578		
Governmental Appropriations:		15,294		2,718		
Federal		8,000		2,718		
State						
Local		7,294				
Non-Governmental				987		
Other Educational and General	39,736	43,739	530,885	20,562		
Total Educational and General	1,448,070	1,791,093	2,431,220	1,858,738		
Student Aids and Grants	33,043	37,198	110,326	46,981		
Auxiliary Enterprises	234,560	236,246	529,319	750,327		
Major Service Programs						
Total Current Funds Revenue	1,715,673	2,064,537	3,070,865	2,656,046		

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TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
ALL PRIVATE INSTITUTIONS						
Tuition and Fees	$ 27,144,985	$ 28,653,483	$ 33,931,904	$ 37,537,368	+ 10.6	+ 38.3
Endowment Earnings	2,977,261	3,160,859	3,909,018	3,392,381	- 13.2	+ 13.9
Private Gifts and Grants	8,851,167	10,231,591	11,375,053	11,634,711	+ 2.3	+ 31.4
Governmental Appropriations:	1,620,367	1,955,650	1,870,221	1,497,720	- 20.0	- 7.6
Federal	1,620,367	1,941,886	1,861,883	1,472,665	- 20.9	- 9.1
State		5,975	7,700	13,615	+ 76.8	
Local		7,789	638	11,440	+1,693.1	
Non-Governmental			983,616	2,583,305	+ 162.6	
Other Educational and General	2,765,964	3,805,827	3,620,532	2,972,045	- 17.9	+ 7.5
Total Educational and General	43,359,744	47,807,410	55,690,344	59,617,530	+ 7.1	+ 37.5
Student Aids and Grants	2,085,626	2,857,727	4,033,089	4,368,114	+ 8.3	+ 109.4
Auxiliary Enterprises	17,787,348	19,193,275	21,336,900	21,689,097	+ 1.7	+ 21.9
Major Service Programs			4,723	7,899	+ 67.2	
Total Current Funds Revenue	63,232,718	69,858,412	81,065,056	85,682,640	+ 5.7	+ 35.5
ALL PUBLIC INSTITUTIONS						
Tuition and Fees	25,956,355	28,606,962	32,116,927	42,817,427	+ 33.3	+ 65.0
Endowment Earnings	2,545,588	2,365,044	3,321,128	3,370,580	+ 1.5	+ 32.4
Private Gifts and Grants	6,022,208	562,417	461,612	612,346	+ 32.6	- 89.8
Governmental Appropriations:	89,805,652	118,207,247	141,727,657	168,322,310	+ 18.8	+ 87.4
Federal	30,632,845	43,915,065	42,699,157	44,726,495	+ 4.7	+ 46.0
State	58,985,492	74,125,642	98,785,476	123,419,703	+ 24.9	+ 109.2
Local	187,315	166,540	243,024	176,112	- 27.3	- 6.0
Non-Governmental			7,408,898	7,707,868	+ 4.0	
Other Educational and General	45,789,530	55,549,216	37,311,944	41,904,644	+ 12.3	- 8.5
Total Educational and General	170,119,333	205,290,888	222,359,166	264,735,175	+ 19.1	+ 55.6
Student Aids and Grants	3,838,537	5,759,553	6,142,371	8,506,177	+ 38.5	+ 121.6
Auxiliary Enterprises	35,717,520	41,647,169	45,870,774	51,332,268	+ 11.9	+ 43.7
Major Service Programs				1,063		
Total Current Funds Revenue	209,675,390	252,697,610	274,372,311	324,574,683	+ 18.3	+ 54.8

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TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
PRIVATE JUNIOR COLLEGES						
Tuition and Fees	$ 611,241	$ 763,302	$ 867,828	$ 990,746	+ 14.2	+ 62.1
Endowment Earnings						
Private Gifts and Grants	159,037	479,486	495,135	423,752	- 14.4	+ 166.4
Governmental Appropriations:	82,142	56,620	122,916	221,903	+ 80.5	+ 170.1
Federal	82,142	55,645	122,916	204,006	+ 65.9	+ 148.4
State		975		6,457		
Local				11,440		
Non-Governmental				125,892		
Other Educational and General		103,690	208,781	118,782	- 43.1	
Total Educational and General	852,420	1,403,098	1,694,660	1,881,075	+ 11.0	+ 120.6
Student Aids and Grants	64,534	39,209	30,712	99,069	+ 222.6	+ 53.5
Auxiliary Enterprises	225,416	434,617	459,179	529,854	+ 15.4	+ 135.1
Major Service Programs						
Total Current Funds Revenue	1,142,370	1,876,924	2,184,551	2,509,998	+ 14.9	+ 119.7
PRIVATE PROFESSIONAL SCHOOLS						
Tuition and Fees	417,898	453,499	605,191	782,279*		
Endowment Earnings	83,454	125,102	126,008	135,614		
Private Gifts and Grants	906,982	1,153,459	1,169,136	916,578		
Governmental Appropriations:		15,294		2,718		
Federal		8,000		2,718		
State						
Local		7,294				
Non-Governmental				987		
Other Educational and General	39,736	43,739	530,885	20,562		
Total Educational and General	1,448,070	1,791,093	2,431,220	1,858,738		
Student Aids and Grants	33,043	37,198	110,326	46,981		
Auxiliary Enterprises	234,560	236,246	529,319	750,327		
Major Service Programs						
Total Current Funds Revenue	1,715,673	2,064,537	3,070,865	2,656,046		

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TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
ALL PRIVATE INSTITUTIONS						
Tuition and Fees	$ 27,144,985	$ 28,653,483	$ 33,931,904	$ 37,537,368	+ 10.6	+ 38.3
Endowment Earnings	2,977,261	3,160,859	3,909,018	3,392,381	- 13.2	+ 13.9
Private Gifts and Grants	8,851,167	10,231,591	11,375,053	11,634,711	+ 2.3	+ 31.4
Governmental Appropriations:	1,620,367	1,955,650	1,870,221	1,497,720	- 20.0	- 7.6
Federal	1,620,367	1,941,886	1,861,883	1,472,665	- 20.9	- 9.1
State		5,975	7,700	13,615	+ 76.8	
Local		7,789	638	11,440	+1,693.1	
Non-Governmental			983,616	2,583,305	+ 162.6	
Other Educational and General	2,765,964	3,805,827	3,620,532	2,972,045	- 17.9	+ 7.5
Total Educational and General	43,359,744	47,807,410	55,690,344	59,617,530	+ 7.1	+ 37.5
Student Aids and Grants	2,085,626	2,857,727	4,033,089	4,368,114	+ 8.3	+ 109.4
Auxiliary Enterprises	17,787,348	19,193,275	21,336,900	21,689,097	+ 1.7	+ 21.9
Major Service Programs			4,723	7,899	+ 67.2	
Total Current Funds Revenue	63,232,718	69,858,412	81,065,056	85,682,640	+ 5.7	+ 35.5
ALL PUBLIC INSTITUTIONS						
Tuition and Fees	25,956,355	28,606,962	32,116,927	42,817,427	+ 33.3	+ 65.0
Endowment Earnings	2,545,588	2,365,044	3,321,128	3,370,580	+ 1.5	+ 32.4
Private Gifts and Grants	6,022,208	562,417	461,612	612,346	+ 32.6	- 89.8
Governmental Appropriations:	89,805,652	118,207,247	141,727,657	168,322,310	+ 18.8	+ 87.4
Federal	30,632,845	43,915,065	42,699,157	44,726,495	+ 4.7	+ 46.0
State	58,985,492	74,125,642	98,785,476	123,419,703	+ 24.9	+ 109.2
Local	187,315	166,540	243,024	176,112	- 27.3	- 6.0
Non-Governmental			7,408,898	7,707,868	+ 4.0	
Other Educational and General	45,789,530	55,549,216	37,311,944	41,904,644	+ 12.3	- 8.5
Total Educational and General	170,119,333	205,290,888	222,359,166	264,735,175	+ 19.1	+ 55.6
Student Aids and Grants	3,838,537	5,759,553	6,142,371	8,506,177	+ 38.5	+ 121.6
Auxiliary Enterprises	35,717,520	41,647,169	45,870,774	51,332,268	+ 11.9	+ 43.7
Major Service Programs				1,063		
Total Current Funds Revenue	209,675,390	252,697,610	274,372,311	324,574,683	+ 18.3	+ 54.8

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TABLE 17

CURRENT FUNDS REVENUE, BY SOURCE,
FISCAL YEARS 1966-67 THROUGH 1969-70

	1966-67	1967-68	1968-69	1969-70	% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
ALL MINNESOTA INSTITUTIONS						
Tuition and Fees	$ 53,101,340	$ 57,260,445	$ 66,048,831	$ 80,354,795	+ 21.7	+ 51.3
Endowment Earnings	5,522,849	5,525,903	7,241,146	6,762,961	- 6.6	+ 22.5
Private Gifts and Grants	14,873,375	10,794,008	11,836,665	12,247,157	+ 3.5	- 17.7
Governmental Appropriations:	91,426,019	120,162,897	143,597,878	169,820,030	+ 18.3	+ 85.7
Federal	32,253,212	45,856,951	44,561,040	46,199,160	+ 3.7	+ 43.2
State	58,985,492	74,131,617	98,793,176	123,433,318	+ 24.9	+ 109.3
Local	187,315	174,329	243,662	187,552	- 23.0	+ 0.1
Non-Governmental			8,392,514	10,291,173	+ 22.6	
Other Educational and General	48,555,494	39,355,043	40,932,476	44,876,689	+ 9.6	- 7.6
Total Educational and General	213,479,077	253,098,296	278,049,510	324,352,805	+ 16.7	+ 51.9
Student Aids and Grants	5,924,163	8,617,280	10,175,460	12,874,291	+ 26.5	+ 117.3
Auxiliary Enterprises	53,504,868	60,840,444	67,207,674	73,021,365	+ 8.7	+ 36.5
Major Service Programs			4,723	8,962	+ 89.8	
Total Current Funds Revenue	272,908,108	322,556,020	355,437,367	410,257,423	+ 15.4	+ 50.3

*Data for Luther Seminary, with 435 out of a total of 1,596 first professional students not reported for 1969-70; therefore, aggregate comparisons with previous years are not appropriate.

College System and the State College System, 41.3 per cent and 31.4 per cent, respectively.

1969-70 Current Operating Expenditures Compared with 1968-69:

Total 1969-70 current fund expenditures for all Minnesota higher education institutions amounted to 403.8 million dollars, an increase of 16.5 per cent over the 346.6 million spent in 1968-69 (Table 18, pp. 74-82). This rate of increase was more than double the 7.3 per cent rate of increase in f.t.e. enrollment (Table 19, pp. 94-97).

For all public institutions, total current fund expenditures rose from 265.8 million to 314.5 million dollars for an increase of 18.3 per cent, while expenditures for all private institutions increased 10.5 per cent from 80.8 to 89.3 million dollars. Among public systems, the largest percentage increases occurred for the state junior colleges, 41.3 per cent, followed by the state colleges, 31.7 per cent, and the University of Minnesota with a 13.4 per cent increase. The private four-year colleges experienced the smallest percentage gain, amounting to 11.4 per cent.

Total Educational and General expenditures, including all six categories of expense directly or indirectly related to the education function, increased from 273.1 million dollars in 1968-69 to 319.4 million in 1969-70, a percentage increase of 16.5. The amount of this expenditure for all public institutions rose from 218.0 to 257.6 million dollars, an increase of 18.2 per cent, while for all private institutions the amount rose from 55.1 to 61.8 million dollars, an increase of 12.1 per cent.

Among systems, the greatest increase occurred for the state junior colleges, the total educational and general expenditure rising from 12.4

to 17.7 million dollars, a 42.2 per cent increase. The percentage increase for the state colleges amounted to 31.4; for the private four-year colleges, 13.4; and for the University of Minnesota, 13.6 per cent.

Among the six categories of expense which comprise Total Educational and General expense, Instruction and Departmental Research was by far the largest, amounting to 103.2 million dollars for all Minnesota institutions in 1968-69, and 122.2 million for 1969-70, an increase of 18.4 per cent. This portion of the direct cost of the teaching function rose 21.6 per cent for all public institutions.

Among systems, the greatest increase occurred among the state junior colleges, 38.2 per cent; followed by the State College System, 28.0 per cent; the University of Minnesota, 15.8 per cent; and the private four-year colleges, 12.2 per cent. On the other hand, private junior colleges showed a decline of 42.2 per cent.

Extension and Public Service, another category of direct cost of the teaching function, also showed a substantial increase of 19.6 per cent for all Minnesota institutions[5], from 18.1 million dollars in 1968-69 to 21.7 million in 1969-70. All private institutions combined rose 71.4 per cent, from $446,857 in 1968 to $765,717 in 1969. Expenditures of all public institutions rose 196.0 per cent from 18.1 million dollars in 1968-69 to 21.7 million in 1969-70 (state junior colleges not included).

Systems making the most notable gains in expenditures for this function were the state colleges, 153.6 per cent, and the private four-year colleges,

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[5]Beginning in 1968-69, the State Junior College System began funding all programs on a regular basis and no longer categorizes extension and public service as such on a separate basis.

63.0 per cent. The University of Minnesota, with by far the largest number of programs[6] and 94.6 per cent of the total expenditure for extension and public service of all Minnesota institutions in 1969-70, experienced a more modest increase of 19.6 per cent over expenditures in 1968-69 for this function.

Organized (Sponsored) Research, the third category of costs directly related to the teaching function, increased from an expenditure of 35 million dollars for all Minnesota institutions to 37.5 million in 1969-70, for a relatively small percentage gain of 7.2 per cent. With approximately 98 per cent of organized research centered in the University of Minnesota both years, its percentage gain was somewhat similar, at 7.8 per cent. The state colleges, on the other hand, showed a decline of 70 per cent in a relatively small expenditure for organized research ($72,786 in 1969-70).

Libraries expenditures, an indirectly related cost of the education function rose nearly one-third (31.7%) for all Minnesota institutions from 9.4 million dollars in 1968-69 to 12.4 million in 1969-70. The bulk of the increase in expenditure for libraries occurred among all public institutions, rising 41.5 per cent from 6.6 million dollars in 1968 to 9.4 million in 1969. Comparable figures for all private institutions showed an increase of 8.3 per cent, from an expenditure of 2.8 million dollars to approximately 3.0 million in 1969-70. Percentage-wise among systems, the greatest increase occurred for the state colleges, 87.6 per cent, followed by the state junior colleges, 65.0 per cent, and with the

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[6]See "Continuing Education in Minnesota," HECC, 1968-69.

University of Minnesota and the private four-year colleges, both at 11.1 per cent.

Physical Plant Operation and Maintenance costs rose approximately one-tenth (10.8%) for all Minnesota institutions, from 22.5 to 24.9 million dollars. Compared with the 7.6 per cent rise in f.t.e. enrollment, this increase is moderate.

All Other Educational and General Expense, the category which includes administrative and some other costs indirectly related to the educational function, rose 18.7 from an expenditure of 84.8 million dollars in 1969-69 to 100.7 million in 1969-70 for all institutions. For all public institutions, the rise in this category of expense rose 19.0 per cent, and for all private institutions, 17.8 per cent.

Expenditures for Student Aids and Grants, one of the larger categories of non-instruction related costs, rose one-fifth from 13.5 million dollars in fiscal 1968-69 to 16.2 million in 1969-70 for all Minnesota institutions combined. For all public institutions the increase was substantially greater than that for all private institutions; 26.1 per cent and 14.1 per cent, respectively. Among systems, the largest increase occurred for the State Junior College System, 53.4 per cent. Private junior colleges also increased their spending in this category by 50.0 per cent. The University of Minnesota increased its outlay for student aids and grants by 26.9 per cent (Table 18, pp. 74-82).

Total expenditures of all Minnesota institutions for Auxiliary Enterprises, the largest category of expense not related to the teaching function, rose from 60.0 million dollars in 1968-1969 to 68.2 million

TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS,
FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS:				% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
	1966-1967	1967-1968	1968-1969	1969-1970	%	%
STATE JUNIOR COLLEGE SYSTEM						
Instruction & departmental research	$3,996,260	$ 5,805,756	$ 7,203,669	$ 9,954,001	+38.2	+149.1
Extension & public service	25,435	2,845				
Organized (sponsored) research				10,046		
Libraries	367,347	577,552	597,641	986,017	+65.0	+168.4
Physical plant operation & maintenance	788,698	850,064	1,178,502	987,852	-16.2	+ 25.3
All other educational & general expense	886,368	2,207,581	3,453,180	5,739,373	+66.2	+547.5
Total educational & general expenditure	6,064,112	9,443,798	12,432,992	17,677,289	+42.2	+191.5
Student aids & grants	91,631	196,047	240,004	368,214	+53.4	+289.1
Auxiliary enterprises	512,210	851,858	1,027,794	1,312,467	+27.7	+156.2
Physical plant assets[1]	2,060	248,617				
Major service programs				1,063		
Total current fund expenditure	6,667,953	10,740,320	13,700,790	19,359,033	+41.3	+190.3
F.T.E. (15) enrollment	8,701	11,157	14,078	15,914	+13.0	+ 82.9
Expenditure per F.T.E. student	$766.34	$962.55	$973.21	$1,216.48	+25.0	+ 58.7
Expenditure per credit hour	51.09	64.17	64.88	81.10		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS, FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS: 1966-1967	1967-1968	1968-1969	1969-1970	% CHANGE 1968-69 THROUGH 1969-70 %	% CHANGE 1966-67 THROUGH 1969-70 %
STATE COLLEGE SYSTEM						
Instruction & departmental research	$14,126,544	$17,397,951	$23,767,447	$30,426,501	+ 28.0	+115.4
Extension & public service	152,620	244,868	161,071	408,441	+153.6	+167.6
Organized (sponsored) research	65,419	12,337	242,128	72,786	- 70.0	+ 11.3
Libraries	1,365,830	2,438,094	2,209,045	4,145,096	+ 87.6	+203.5
Physical plant operation & maintenance	2,517,993	2,838,302	3,376,992	4,176,925	+ 23.7	+ 65.8
All other educational & general expense	4,605,579	8,228,250	7,050,425	9,119,780	+ 29.4	+ 98.0
Total educational & general expenditure	22,833,985	31,159,802	36,807,108	48,349,529	+ 31.4	+111.7
Student aids & grants	545,752	1,956,538	1,504,875	1,794,603	+ 19.3	+228.9
Auxiliary enterprises	8,920,285	9,864,580	11,817,970	15,871,137	+ 34.3	+ 77.9
Physical plant assets[1]	133,090	43,588				
Major service programs						
Total current fund expenditure	32,433,112	43,024,508	50,129,953	66,015,269	+ 31.7	+103.4
F.T.E. (15) enrollment	23,679	29,409	32,869	35,528	+ 8.1	+ 50.0
Expenditure per F.T.E. student	$1,369.70	$1,462.97	$1,525.14	$1,858.12	+ 21.8	+ 35.7
Expenditure per credit hour	91.31	97.53	101.68	123.87		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS,
FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS:				% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
	1966-1967	1967-1968	1968-1969	1969-1970	%	%
UNIVERSITY OF MINNESOTA						
Instruction & departmental research	$ 37,748,012	$ 38,207,548	$ 46,314,681	$ 53,616,281	+15.8	+ 42.0
Extension & public service	43,149,033	35,071,543	17,525,008	20,512,606	+17.0	- 52.5
Organized (sponsored) research	35,344,746	39,072,174	34,129,366	36,780,244	+ 7.8	+ 4.1
Libraries	2,947,864	3,619,178	3,821,680	4,245,717	+11.1	+ 44.0
Physical plant operation & maintenance	9,209,425	11,197,192	11,931,856	13,375,406	+12.1	+ 45.2
All other educational & general expense	11,588,765	32,320,112	55,002,513	63,079,409	+14.7	+444.3
Total educational & general expenditure	139,987,845	159,487,747	168,725,104	191,609,663	+13.6	+ 36.9
Student aids & grants	2,965,229	3,723,390	4,906,192	6,226,165	+26.9	+109.9
Auxiliary enterprises	23,141,162	26,707,102	28,351,358	31,313,322	+10.4	+ 35.3
Physical plant assets[1]						
Major service programs						
Total current fund expenditure	166,094,236	189,918,239	201,982,654	229,149,150	+13.4	+ 38.0
F.T.E. (15) enrollment	38,177	39,901	41,253	44,610	+ 8.1	+ 16.9
Expenditure per F.T.E. student	$4,350.64	$4,759.74	$4,896.19	$5,136.72	+ 4.9	+ 18.1
Expenditure per credit hour	290.04	317.32	326.41	342.45		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS, FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS: 1966-1967	1967-1968	1968-1969	1969-1970	% CHANGE 1968-69 THROUGH 1969-70 %	% CHANGE 1966-67 THROUGH 1969-70 %
PRIVATE JUNIOR COLLEGES						
Instruction & departmental research	$ 494,960	$ 719,704	$ 845,586	$ 488,464	- 42.2	- 1.3
Extension & public service		53,639				
Organized (sponsored) research	82,932	81,407	88,841	88,425	- 0.6	+ 6.6
Libraries						
Physical plant operation & maintenance	95,610	160,795	202,854	228,545	+ 12.7	+139.0
All other educational & general expense	188,618	497,421	578,525	1,266,304	+118.8	+571.4
Total educational & general expenditure	862,120	1,512,966	1,715,866	2,071,738	+ 20.7	+140.3
Student aids & grants	48,234	65,224	87,108	130,678	+ 50.0	+170.9
Auxiliary enterprises	223,724	297,566	292,592	380,154	+ 29.9	+ 69.9
Physical plant assets[1]		45,180				
Major service programs						
Total current fund expenditure	1,134,078	1,920,945	2,095,566	2,582,570	+ 23.2	+127.7
F.T.E. (15) enrollment	1,172	1,152	1,151	1,082	- 6.0	- 7.7
Expenditure per F.T.E. student	$967.64	$1,667.49	$1,820.65	$2,386.85	+ 31.1	+146.6
Expenditure per credit hour	64.51	111.17	121.38	159.12		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS,
FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS:				% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
	1966-1967	1967-1968	1968-1969	1969-1970	%	%
PRIVATE FOUR-YEAR COLLEGES						
Instruction & departmental research	$19,104,246	$19,352,772	$23,969,704	$26,894,968	+12.2	+ 40.8
Extension & public service	361,404	466,879	446,857	728,342	+63.0	+101.5
Organized (sponsored) research	442,162	508,078	624,494	636,248	+ 1.9	+ 43.9
Libraries	1,947,140	2,175,450	2,413,632	2,681,082	+11.1	+ 37.7
Physical plant operation & maintenance	4,371,936	4,644,898	5,496,964	5,963,900	+ 8.5	+ 36.4
All other educational & general expense	13,456,318	16,020,879	18,174,999	21,094,438	+16.1	+ 56.7
Total educational & general expenditure	39,683,106	43,168,956	51,126,649	57,998,972	+13.4	+ 46.2
Student aids & grants	4,177,821	5,355,777	6,684,337	7,624,213	+14.1	+ 82.5
Auxiliary enterprises	15,208,629	15,829,082	17,989,647	18,839,086	+ 4.7	+ 23.9
Physical plant assets[1]	4,371,936	693,029				
Major service programs			14,898	3,106	-79.0	
Total current fund expenditure	61,007,395	65,046,844	75,815,531	84,465,383	+11.4	+ 38.5
F.T.E. (15) enrollment	25,248	25,808	26,504	27,407	+ 3.4	+ 8.6
Expenditure per F.T.E. student	$2,416.33	$2,520.41	$2,860.53	$3,081.89	+ 7.7	+ 27.5
Expenditure per credit hour	161.09	168.03	190.70	205.46		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS,
FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS:			
	1966-1967	1967-1968	1968-1969	1969-1970
PRIVATE PROFESSIONAL SCHOOLS[1]				
Instruction & departmental research	$ 708,535	$ 822,490	$1,095,753	$ 821,080
Extension & public service				37,375
Organized (sponsored) research		10,294		
Libraries	129,567	184,579	268,224	229,929
Physical plant operation & maintenance	194,040	255,565	334,408	228,786
All other educational & general expense	325,739	443,363	544,270	371,698
Total educational & general expenditure	1,357,881	1,776,291	2,242,655	1,688,868
Student aids & grants	26,863	34,708	50,334	28,343
Auxiliary enterprises	281,273	322,792	573,049	522,402
Physical plant assets[2]	17,094	23,592		
Major service programs				
Total current fund expenditure	1,683,111	2,157,383	2,866,038	2,293,613
F.T.E. (15) enrollment	1,085	1,219	1,132	832
Expenditure per F.T.E. student	$1,551.25	$1,769.80	$2,531.84	$2,691.84
Expenditure per credit hour	103.42	117.99	168.79	179.46

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[1]Luther Seminary, with 435 out of a total of 1,596 first professional students, did not respond to the 1969-70 survey, consequently comparisons of 1969-70 aggregate data with preceding years would not be appropriate.

[2]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS,
FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS:				% CHANGE 1968-69 THROUGH 1969-70	% CHANGE 1966-67 THROUGH 1969-70
	1966-1967	1967-1968	1968-1969	1969-1970	%	%
ALL PUBLIC INSTITUTIONS						
Instruction & departmental research	$ 53,870,816	$ 61,411,255	$ 77,285,797	$ 93,996,783	+21.6	+ 74.5
Extension & public service	43,327,088	35,318,956	17,686,079	20,921,047	+18.3	- 51.9
Organized (sponsored) research	35,410,165	39,084,511	34,371,494	36,863,076	+ 7.2	+ 4.1
Libraries	4,681,041	6,634,824	6,628,366	9,376,830	+41.5	+100.3
Physical plant operation & maintenance	12,516,116	14,885,558	16,487,350	18,540,183	+12.5	+ 48.2
All other educational & general expense	17,080,715	66,480,863	65,506,118	77,938,562	+19.0	+356.3
Total educational & general expenditure	166,885,941	200,093,047	217,965,204	257,636,481	+18.2	+ 54.4
Student aids & grants	3,602,619	5,875,975	6,651,071	8,388,982	+26.1	+132.9
Auxiliary enterprises	32,573,657	37,423,540	41,197,122	48,496,926	+17.7	+ 48.9
Physical plant assets[1]	135,150	292,205				
Major service programs				1,063		
Total current fund expenditure	203,197,367	243,684,767	265,813,397	314,523,452	+18.3	+ 54.8
F.T.E. (15) enrollment	70,558	80,468	88,200	96,052	+ 8.9	+ 36.1
Expenditure per F.T.E. student	$2,879.86	$3,028.35	$3,013.76	$3,274.51	+ 8.7	+ 13.7
Expenditure per credit hour	191.66	201.89	200.92	218.30		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS,
FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS: 1966-1967	1967-1968	1968-1969	1969-1970	% CHANGE 1968-69 THROUGH 1969-70 %	% CHANGE 1966-67 THROUGH 1969-70 %
ALL PRIVATE INSTITUTIONS						
Instruction & departmental research	$20,307,741	$20,954,966	$25,911,042	$28,204,512	+ 8.9	+ 38.9
Extension & public service	361,404	520,518	446,857	765,717	+71.4	+111.9
Organized (sponsored) research	442,162	518,372	624,494	636,248	+ 1.9	+ 43.9
Libraries	2,159,639	2,441,436	2,770,697	2,999,436	+ 8.3	+ 38.8
Physical plant operation & maintenance	4,661,586	5,061,258	6,034,226	6,421,231	+ 6.4	+ 37.7
All other educational & general expense	13,970,675	16,961,663	19,297,854	22,732,440	+17.8	+ 62.7
Total educational & general expenditure	41,903,207	46,458,213	55,085,170	61,759,584	+12.1	+ 47.4
Student aids & grants	4,252,918	5,455,709	6,821,779	7,783,234	+14.1	+ 83.0
Auxiliary enterprises	15,713,626	16,449,440	18,855,288	19,741,642	+ 4.7	+ 25.6
Physical plant assets[1]	1,955,656	761,810				
Major service programs			14,898	3,106	-79.0	
Total current fund expenditure	63,825,407	69,125,172	80,777,135	89,287,566	+10.5	+ 39.9
F.T.E. (15) enrollment	27,168	28,200	28,744	29,732	+ 3.4	+ 9.4
Expenditure per F.T.E. student	$2,349.29	$2,451.25	$2,810.23	$3,003.08	+ 6.9	+ 27.8
Expenditure per credit hour	156.62	163.42	187.35	200.21		

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[1]Dropped as an independent category beginning with the 1968-69 survey.

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TABLE 18

CURRENT OPERATING EXPENDITURES OF MINNESOTA HIGHER EDUCATION SYSTEMS, FISCAL YEARS 1966-67 THROUGH 1969-70 (IN DOLLARS)

	FISCAL YEARS: 1966-1967	1967-1968	1968-1969	1969-1970	% CHANGE 1968-69 THROUGH 1969-70 %	% CHANGE 1966-67 THROUGH 1969-70 %
ALL MINNESOTA INSTITUTIONS						
Instruction & departmental research	$ 74,178,557	$ 82,366,221	$103,196,839	$122,201,295	+18.4	+ 64.7
Extension & public service	43,688,492	35,839,474	18,132,936	21,686,764	+19.6	- 50.4
Organized (sponsored) research	35,852,327	39,602,883	34,995,988	37,499,324	+ 7.2	+ 4.6
Libraries	6,840,680	9,076,260	9,399,063	12,376,266	+31.7	+ 80.9
Physical plant operation & maintenance	17,177,702	19,946,816	22,521,576	24,961,414	+10.8	+ 45.3
All other educational & general expense	31,051,390	83,442,526	84,803,972	100,671,002	+18.7	+224.2
Total educational & general expenditure	208,779,148	246,551,260	273,050,374	319,396,065	+17.0	+ 53.0
Student aids & grants	7,855,537	11,331,684	13,472,850	16,172,216	+20.0	+105.9
Auxiliary enterprises	48,287,283	53,827,980	60,052,410	68,238,568	+13.6	+ 41.3
Physical plant assets[1]	2,090,806	1,054,015				
Major service programs			14,898	4,169	-72.0	
Total current fund expenditure	267,022,774	302,809,939	346,590,532	403,811,018	+16.5	+ 51.2
F.T.E. (15) enrollment	97,727	108,668	116,944	125,796	+ 7.6	+ 28.7
Expenditure per F.T.E. student	$2,732.33	$2,878.58	$2,963.73	$3,210.05	+ 8.3	+ 17.5
Expenditure per credit hour	182.16	191.91	197.58	214.00		

[1]Dropped as an independent category beginning with the 1968-69 survey.

in 1969-70, an increase of 13.6 per cent. Expenditures rose 17.7 per cent for all public institutions, and 4.7 per cent for all private institutions. Among systems with highest increases, the state colleges expenditure for auxiliary enterprises rose 34.3 per cent; the private junior colleges, 29.9 per cent; and state junior colleges, 27.7 per cent. For the private four-year colleges, the increase was only 4.7 per cent.

Major Service Programs, the third HEGIS category of non-instruction related expenditures was an almost negligible expenditure in Minnesota; $4,169 for all institutions.

Trends and Comparisons, Fiscal Years 1966-67 Through 1969-70:

The most prominent general impression which emerges from an examination of financial or other descriptive data concerning higher education in Minnesota during the period from 1966-67 through 1969-70 is that of rapid expansion and growth. Large annual increments in enrollments have generated ever greater costs which had to be met with increased tax appropriations and tuitions. Enrollments grew from a f.t.e.$_{15}$ total for Minnesota of 97,727 in the fall of 1966 to 125,796 in fall 1969, an increase of 28,069 f.t.e.$_{15}$ over a three-year period, equivalent to the addition of another college of the size of Mankato State College for each one of the three years. The percentage increase for the period was 28.7 per cent; in other words, for each four f.t.e. students attending college in the fall of 1966, slightly more than five were attending in the fall three years later (Table 19, pp. 94-97).

Current Fund Operating Revenues:

Total current fund revenues from all sources for all Minnesota higher

education institutions climbed at a rapid rate from fiscal 1966-67 through 1969-70; from a total of 272.9 million to 410.3 million dollars for a percentage increase of 50.3 over the three years. The dollar increase in revenues for all public institutions amounted to $114,899,293, a 54.8 per cent gain to a total of 324.5 million dollars in 1969-70. Current fund revenues for all private institutions rose 35.5 per cent, from 63.2 million dollars in 1966-67 to 85.7 million in 1969-70.

In general among the public systems having the fastest growing enrollments, gains in current fund revenues were at the highest rate. The State Junior College System gained 184.3 per cent, from 6.8 to 19.4 million dollars; followed in order by the state colleges, 105.2 per cent gain from 33.6 to 68.9 million dollars; and the University of Minnesota, 42.0 per cent from 166.4 to 236.3 million dollars over the survey period. The private four-year colleges gained 33.4 per cent, from 60.4 million dollars in 1966-67 to 80.5 million in 1969-70.

Total current fund educational and general revenues received in support of the education function increased 51.9 per cent for all Minnesota institutions, from 213.5 million dollars in 1966-67 to 324.4 million in 1969-70. In terms of dollars, this gain amounted to $110,873,728. In short, of the $114,899,293 gain in total current fund revenues, the great bulk was allocated for the education function (96.5%).

Tuition and fees revenues for all Minnesota institutions increased from 53.1 million dollars in 1966-67 to 80.4 million in 1969-70, a percentage gain of 51.3. Percentage-wise, the gain was greater for all public than for all private institutions: 65.0 per cent and 38.3 per cent, respectively.

Among systems, the greatest percentage gain in this category occurred in the State Junior College System, 145.4 per cent. The State College System gained 86.6 per cent, and the University of Minnesota, 76.6 per cent. Private four-year colleges gained 36.9 per cent.

Endowment earnings for all Minnesota institutions, in spite of 6.6 per cent drop over the last year of the period, made an overall gain of 22.5 per cent for the three survey years. Endowments were held principally by the University of Minnesota and by the private four-year colleges, with earnings over the three years of approximately equal size.

Private gifts and grants revenues declined 17.7 per cent for all Minnesota institutions. Although private giving increased for all private institutions from 8.8 million dollars in 1966-67 to 11.6 million in 1969-70, there was a sharp decline for all public institutions from 6.0 to 0.6 million dollars over the three-year period. The University of Minnesota in particular experienced a 90.2 per cent decline in this revenue while the state colleges experienced a 49.6 per cent decline.

Total governmental appropriations for all private institutions, although relatively small, declined from 1.6 to 1.5 million dollars. For all public institutions there was a sharp rise from 89.8 million dollars to 168.3 million over the three years surveyed, a gain of 87.4 per cent.

Federal appropriations for all public institutions rose from 30.6 to 44.7 million dollars, a percentage increase of 46.0, while state appropriations more than doubled, going from 59 to 123.4 million dollars. Relatively small local appropriations declined 6.0 per cent.

By far the greatest federal appropriations were received by the University of Minnesota, increasing from 29.4 million dollars in 1966-67 to nearly 42.0 million in 1969-70. Federal appropriations for the state colleges more than doubled, going from 1.1 to 2.3 million dollars over the same period.

State appropriations for the state junior colleges rose from 4.1 to 11.6 million dollars; for the state colleges, state revenue rose from nearly 14 million to 33.3 million dollars; and for the University of Minnesota, state revenues rose from 40.9 million to 78.6 million dollars, over the survey period.

Non-governmental revenues from foundations and other outside organizations are listed as a separate category in this tabulation only for the last two years of the survey period, while for the years 1966-67 and 1967-68 these types of revenue were largely combined into the other educational and general category.

Other educational and general revenues tended to show a decline in some systems, but when viewed in conjunction with non-governmental revenues of 1968-69 and 1969-70 and in light of the miscellaneous character of this revenue, any apparent trend would be difficult to assess.

Non-Instructional Revenues:

Student aids and grants revenues increased steadily throughout the survey period, rising from 5.9 million dollars for all Minnesota institutions in 1966-67 to more than double that amount, 12.9 million, in 1969-70. The percentage gain in this revenue for all public and all

private institutions was not greatly different, 121.6 and 109.4 per cent, respectively. The State Junior College System and the State College System made the highest percentage gains among systems, 348.3 per cent and 275.3 per cent, respectively.

Auxiliary enterprise revenues exceeded the f.t.e. enrollment rise in all public institutions by only a few percentage points; 43.7 per cent and 36.1 per cent, respectively. For all private institutions, these percentages were 21.9 and 9.4, respectively. These revenues, as might be expected, seem reasonably geared to numbers of students.

Current Operating Expenditures:

Total current fund expenditures for all Minnesota institutions rose at a rate approaching twice that of f.t.e. enrollment; 51.2 per cent versus 28.7 per cent, respectively. Dollar-wise, the increase was from 267.0 million in 1966 to 403.8 million in 1969-70. The same comparison holds for total educational and general expenditure which rose 53.0 per cent, from 208.8 million dollars in 1966-67 to 319.4 million in 1969-70 (Table 18, pp. 74-82).

The rate of increase in these expenditures was higher for public institutions than for private institutions. Total current fund expenditures for all public institutions rose 54.8 per cent while rising 39.9 per cent for all private institutions. For total educational and general expenditures, the respective percentage increases were 54.4 per cent and 47.4 per cent. In terms of expenditure per adjusted quarter-hour credit, all public institutions spent $218 versus $200 for all private institutions.

Among systems the most striking increases in total current fund

expenditure over the period occurred for the State Junior College System, from 6.7 million dollars in 1966-67 to 19.4 million in 1969-70, for a percentage increase of 190; and for the State College System, from 32.4 million to 66.0 million for a percentage gain of 103. F.T.E. enrollment gains at the same time were 82.9 and 50.0 per cent, respectively. The University of Minnesota and the private four-year colleges experienced similar percentage increases of 38.0 and 38.5 per cent, respectively.

In the category of total educational and general expenditure, the most outstanding gain occurred for the state junior colleges, private junior colleges, and the state colleges, with percentage gains of 192, 140, and 112 per cent, respectively. For the University of Minnesota and for the private four-year colleges, the percentage gains were 36.9 and 46.2, respectively.

Direct Costs of the Teaching Function:

Instruction and departmental research, by far the largest sub-category of direct costs of the teaching function, increased from 74.2 million dollars in 1966-67 to 122.2 million for all Minnesota institutions in 1969-70, an increase of 47 million dollars, or a percentage increase of 64.7 over the three-year period. All public institutions increased from 53.9 million dollars to 94.0 million for a percentage gain of 74.5, while all private institutions increased from 20.3 million to 28.2 million for a percentage gain of 38.9 in this category. Among systems, the most striking increase occurred in the state junior colleges where expenditures for instruction and departmental research rose 149 per cent, followed in order by the state colleges with a gain of 115 per cent, the University of Minnesota with 42 per cent, and the private four-year colleges with

41 per cent.

Extension and public service expenditures also considered to be a part of the direct cost of the teaching function, declined slightly more than half, from 43.7 million dollars in 1966-67 to only 21.7 million in 1969-70 for all Minnesota institutions. It is notable that for all private institutions there was no decrease, but only a steady increase in extension and public service spending amounting to $765,717 in 1969-70 for a 111.9 per cent gain over the three-year period. The state colleges, although fluctuating within the period, gained 168 per cent over the 1966-67 expenditure in this category to reach a total dollar amount of $408,441. The overall decline can, for the most part, be attributed to the 52.5 per cent decrease in University of Minnesota spending in this category, the University having by far the largest share of the total expenditure for extension and public service.

Organized (sponsored) research expenditure, also considered to be part of the direct cost of the teaching function, rose 4.6 per cent from 35.9 million dollars in 1966-67 to 37.5 million in 1969-70, for all Minnesota institutions. For all public institutions, with the University having by far the largest share of this expenditure, the increase was similar. For all private institutions there was a 43.9 per cent increase in organized research expenditure over the period.

Indirect Costs of the Teaching Function:

Libraries expenditures for all Minnesota institutions increased 81 per cent, from 6.8 million dollars in 1966-67 to 12.4 million in 1969-70. For all public institutions, library expenditures doubled, while for all

private institutions, the percentage increase amounted to 38.8 per cent. Among systems, the state colleges registered the largest increase, 203.5 per cent, followed in order by the state junior colleges, 168.4 per cent; the University of Minnesota, 44 per cent, and the private four-year colleges, 37.7 per cent.

Physical plant operation and maintenance expenditures increased nearly half (45.3%) for all Minnesota institutions from 1966-67 through 1969-70. The gain in this expenditure for all public institutions exceeded that for all private institutions, the percentage gains being 48.2 and 37.7 per cent, respectively.

All other educational and general expense, which includes administrative costs, was the largest of the indirect categories of expense related to the teaching function. This expenditure for all Minnesota institutions rose from 31.0 million dollars in 1966-67 to 100.7 million in 1969-70, more than tripling in the three years for a 224.2 per cent gain. The larger portion of this gain occurred among all public institutions where the percentage increase reached 356.3 per cent. For all private institutions this increase was a relatively modest 62.7 per cent. Among public systems, by far the greatest increase in all other educational and general expense occurred in the State Junior College System where this expenditure rose from $886,368 in 1966-67 to $5,739,373 in 1969-70, for a 547.5 per cent gain. For the University of Minnesota, this expenditure rose from 11.6 million dollars to 63.0 million over the period, a 444.3 per cent gain. For the State College System, this expenditure almost doubled, rising from 4.6 million to 9.1 million dollars, a 98.0 per cent gain.

Non-Instructional Costs:

Expenditures for student aids and grants increased rapidly among all systems throughout the three-year period with the public systems generally in the lead.

For all Minnesota institutions, this expenditure rose from 7.9 to 16.2 million dollars for a 105.9 per cent gain. All public institutions spent less than all private institutions in 1966-67 -- 3.6 million and 4.3 million dollars, respectively -- but increased their spending to 8.4 million dollars in 1969-70 as compared with 7.8 million spent by all private institutions in that year. Viewed in the context of enrollments, however, the private institutions made a far greater effort in student aids and grants throughout the period.

Auxiliary enterprises expenditures rose 41.3 per cent for all Minnesota institutions from 48.3 million dollars in 1966-67 to 68.2 million in 1969-70. The percentage increase for all public institutions was nearly double that for all private institutions, 48.9 and 25.6 per cent, respectively. Viewed in the context of enrollment increases, however, the comparison assumes a different aspect, since public enrollments increased nearly four times as much percentage-wise as did private enrollments: 36.1 per cent and 9.4 per cent, respectively.

Expenditures Per Credit Hour:

Perhaps the most basic unit of production in higher education is the credit-hour year (one hour credit for an academic year). The expense incurred by an institution related to the hours of credit produced is an objective method of relating input to output for program budgeting and

cost benefit analysis.

The calculations used in this report are based on fall calendar enrollment surveys. The fall portion of the academic year has the highest enrollment and therefore, the heaviest academic activity of the year; and for this reason, the rate of credit-hour production is likely to be higher than during the winter or spring. As a result, the costs per credit hour given in Table 18, pp. 74-82, are somewhat conservative. However, since similar procedures obtained in calculating credit-hour costs for each of the survey years, trends and comparisons across years are possible. However, no distinctions have been made in this report between levels of instruction or missions of higher education systems, both of which must be taken into account when viewing these data in any comparative sense.

The credit-hour cost for all Minnesota institutions rose from $182.16 in 1966-67 to $214.00 in 1969-70, a percentage increase of 17.5 over the three-year period. For all public institutions, there was a 13.7 per cent increase from $191.66 to $218.30, while for all private institutions there was a greater percentage increase of 27.8, the credit-hour cost going from $156.62 to $200.21.

Among systems, as could be expected from their having all lower division programs, the state junior colleges had lower credit-hour costs than the other public systems, while the private junior colleges had lower credit-hour costs than the private four-year, and professional school groups. At the other extreme, the University of Minnesota, with its many graduate level programs, had the highest overall credit-hour costs.

The largest increases in credit-hour costs over the survey period occurred for the private junior colleges and for the public junior colleges; 146.6 per cent and 58.7 per cent, respectively. The state colleges costs per credit hour increased 35.7 per cent, while the private four-year colleges credit-hour cost rose 27.5 per cent.

The least percentage increase in credit-hour costs was shown by the University of Minnesota: 18.1 per cent over the three-year survey period.

TABLE 19

FULL-TIME EQUIVALENT ENROLLMENT (15 CREDIT HOURS) FOR MINNESOTA INSTITUTIONS OF HIGHER EDUCATION, FALL 1966, 1967, 1968 AND 1969

INSTITUTION AND TYPE	FULL-TIME EQUIVALENT ENROLLMENT 1966	1967	1968	1969
PRIVATE JUNIOR COLLEGES				
Bethany Lutheran	256	250	271	230
Corbett	37	37	45	47
Crosier		28	63	68
Golden Valley Lutheran		234	254	247
St. Joseph's[1]	8	8		
St. Mary's	534	529	518	490
TOTAL	835	1,078	1,151	1,082
Per Cent Increase		29.1	6.8	-6.0
1966-69 Increase				29.6
STATE JUNIOR COLLEGES				
Anoka-Ramsey	930	1,271	1,612	1,869
Austin	817	938	962	859
Brainerd	402	472	487	527
Fergus Falls	459	522	538	578
Hibbing	713	671	783	786
Itasca	435	553	569	601
Lakewood*		466	1,065	939
Mesabi	646	698	761	778
Metropolitan	706	879	880	935
Normandale**			1,214	2,167
North Hennepin	398	1,049	1,255	1,592
Northland[2]	295	294	318	352
Rainy River*		143	250	335
Rochester	1,514	1,698	1,805	1,930
Vermilion[3]	274	256	258	243
Willmar	479	606	657	717
Worthington	634	642	664	706
TOTAL	8,702	11,158	14,078	15,914
Per Cent Increase		28.2	26.2	13.0
1966-69 Increase				82.9

*Opened fall 1967.
**Opened fall 1968.

[1]Combined with Corbett, 1968.
[2]Prior to 1967 the college was named Thief River Falls Junior College.
[3]Prior to 1967 the college was named Ely Junior College.

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TABLE 19

FULL-TIME EQUIVALENT ENROLLMENT (15 CREDIT HOURS) FOR MINNESOTA INSTITUTIONS OF HIGHER EDUCATION, FALL 1966, 1967, 1968 AND 1969

INSTITUTION AND TYPE	FULL-TIME EQUIVALENT ENROLLMENT 1966	1967	1968	1969
STATE COLLEGES				
Bemidji	3,252	4,170	4,388	4,652
Mankato	7,718	9,447	10,350	10,960
Moorhead	3,626	4,200	4,866	5,249
St. Cloud	6,322	7,881	8,352	8,863
Southwest*		532	1,431	2,153
Winona	2,762	3,179	3,482	3,651
TOTAL	23,680	29,409	32,869	35,528
Per Cent Increase		24.2	11.8	8.7
1966-69 Increase				50.0
PRIVATE FOUR-YEAR COLLEGES				
Augsburg	1,602	1,658	1,757	1,720
Bethel	1,153	1,032	978	1,006
Carleton	926	931	1,139	1,530
Concordia (Moorhead)	2,338	2,442	2,487	2,588
Concordia (St. Paul)	784	802	803	854
Dr. Martin Luther	682	722	739	745
Gustavus Adolphus	1,890	2,026	2,025	2,113
Hamline	1,188	1,239	1,218	1,303
Lea	530	530	648	838
Macalester	1,943	1,898	2,050	2,120
Mpls. College of Art & Design	415	436	420	484
Minnesota Bible	128	128	119	108
North Central Bible	407	326	445	465
St. Benedict	550	576	616	637
St. Catherine	1,390	1,354	1,357	1,330
St. John's	1,547	1,543	1,572	1,602
St. Mary's	1,035	1,042	1,084	1,037
St. Olaf	2,408	2,484	2,505	2,540
St. Paul Bible	350	379	351	384
St. Scholastica	606	625	500	622
St. Teresa	1,297	1,289	1,320	1,155
St. Thomas	2,079	2,203	2,180	2,226
TOTAL	25,248	25,665	26,313	27,407
Per Cent Increase		1.7	2.5	4.2
1966-69 Increase				8.6

*Opened fall 1967.

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TABLE 19

FULL-TIME EQUIVALENT ENROLLMENT (15 CREDIT HOURS) FOR MINNESOTA INSTITUTIONS OF HIGHER EDUCATION, FALL 1966, 1967, 1968 AND 1969

INSTITUTION AND TYPE	FULL-TIME EQUIVALENT ENROLLMENT 1966	1967	1968	1969
PRIVATE PROFESSIONAL SCHOOLS				
Bethel Seminary		100	123	208
Luther Theological Seminary	378	378	485	411
N.W. Lutheran Theological Seminary		134	129	154
St. Paul Seminary	372	372	110	93
United Theological Seminary	65	65	91	85
William Mitchell College of Law	271	271	274	292
TOTAL	1,086	1,320	1,212	1,243
Per Cent Increase		21.5	-8.2	2.3
1966-69 Increase				14.5
UNIVERSITY OF MINNESOTA				
Crookston	192	324	374	459
Duluth	4,234	4,622	4,680	5,259
Minneapolis-St. Paul	32,642	33,798	34,895	37,327
Morris	1,110	1,158	1,304	1,565
TOTAL	38,178	39,902	14,253	44,610
Per Cent Increase		4.5	3.4	8.1
1966-69 Increase				16.8
PRIVATE INSTITUTIONS	27,169	28,063	28,979	29,732
Per Cent of Total	27.8	25.9	24.7	23.6
Per Cent Increase		3.3	3.3	2.6
1966-69 Increase				9.4
PUBLIC INSTITUTIONS	70,560	80,469	88,200	96,052
Per Cent of Total	72.2	74.1	75.3	76.4
Per Cent Increase		14.0	9.6	8.9
1966-69 Increase				36.1
TOTAL, ALL MINNESOTA INSTITUTIONS	97,729	108,562	117,179	125,784
Per Cent of Total	100.0	100.0	100.0	100.0
Per Cent Increase		11.1	7.9	7.3
1966-69 Increase				28.7

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TABLE 19

FULL-TIME EQUIVALENT ENROLLMENT (15 CREDIT HOURS) FOR MINNESOTA INSTITUTIONS OF HIGHER EDUCATION, FALL 1966, 1967, 1968 AND 1969

METHOD USED FOR CALCULATING THE FULL-TIME EQUIVALENT ENROLLMENT, FALL 1968

The usual method of calculating the f.t.e. is to take the total number of student credit hours for which all students were registered and divide it by 15, the number of credit hours agreed upon by Minnesota institutions to represent a full-time equivalent student.

No figures for the number of credits taken at all the Minnesota institutions of higher education were available for 1966. However, detailed information became available beginning in the fall of 1967. Therefore, a projection method was used to estimate fall 1966 f.t.e. figures based on the following assumptions:

1. The relative number of credits for which various types of students were registered was not significantly different in 1966 than in 1967.

2. The ratio of full-time to part-time students remained relatively constant over the two-year period.

3. Since f.t.e. and total enrollment were available for fall 1967 and total enrollment was available for 1966, the following formula was used to arrive at an estimate of the 1966 f.t.e. (total enrollment is the sum of full-time and part-time enrollments):

$$\frac{\text{1967 f.t.e. X 1966 total enrollment}}{\text{1967 total enrollment}} = \text{1966 f.t.e.}$$